Daily Report

Latin America

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Latin American Council To Meet on Panama Case

PA280220 Madrid EFE in Spanish 0100 GMT 28 Mar 88

[Text] Caracas, 27 Mar (EFE)—The Latin American Economic System (SELA) council will meet tomorrow in the Venezuelan capital. It has been convoked by Panama, a country demanding solidarity from the remaining 25 SELA member states to confront the "coercive" measures taken by the United States against it.

SELA's permanent secretariat, headed by Uruguayan Carlos Perez del Castillo, urgently convoked the council's fifth special meeting to analyze the economic and financial blockade measures imposed by the United States on Panama.

Panama based its petition regarding convoking the meeting on the council's Rules Nos 112 and 113, which specify that any SELA member can convoke the system's top sector if it is being attacked by "coercive" measures from third countries.

Diplomats have stated that tomorrow's meeting will be of primary importance, as it will show Latin America and Caribbean countries' position regarding the Panamanian crisis.

The SELA council will listen to a report to be presented by the Panamanian delegation, headed by Planning and Economic Policy Minister Ricaurte Vasquez and Foreign Relations Minister Jorge Abadia.

The mystery of the meeting concerns whether there will be an unanimous decision by SELA members to reject U.S. actions in the Panamanian case or whether the council's pronouncement will be limited to a political statement.

Perez del Castillo was questioned about this situation, but he preferred not to advance any judgment about whether the council's decision could be more than a rhetorical statement and express concrete economical or financial measures to support Panama.

The council's meeting will implement SELA's economic security system—a commitment by member states to support any of the 26 countries being attacked.

The system has proven its effectiveness on previous occasions, such as when the Nicaraguan Government received support from the SELA council against the U.S. economic and trade blockade in 1985.

Cuba

Broadcasting Union Official Arrives for Meeting

FL222203 Havana Radio Progreso Network in Spanish 1100 GMT 22 Mar 88

[Text] (Armando Bergas Arallas), secretary general of the Latin American and Caribbean Radio Broadcasting Union, has arrived in Havana. The official will attend the meeting of the executive council of the nongovernmental organization which will begin tomorrow.

Satellite Network Planned

FL252344 Havana Radio Rebelde Network in Spanish 1700 GMT 25 Mar 88

[Report by Carlos Rafael Jimenez]

[Text] Today is the last day of sessions of the Latin American and Caribbean Broadcasting Union [Union Latinoamericana y el Caribe de Radiodifusion—Ulcra]. Its executive committee has been holding its seventh meeting in Havana for the past 3 days, since Wednesday. The committee is now preparing to go into its second phase of operations with an ambitious project: the creation of a satellite network that would permit a daily exchange of radio and television news among its member countries. It will be a big step in cultural and informational integration at the continental level.

Created in 1985 with the support of UNESCO, Ulcra groups 200 noncommercial radio and television [word indistinct] in the region. The network that it will attempt to put in operation was described by Costa Rican Armando Vargas, secretary general of the Ulcra, as the main project of this organization. It would make integration more tangible.

At present, Ulcra has already taken the first steps toward the Latinvision Network with a weekly news program produced in Buenos Aires with television material from nine countries. The program, called El Latinoamericano, is regularly broadcast in Uruguay, Argentina, Peru, and Venezuela.

At the same time, Ulcra promotes the establishment of links among those who are in charge of radio and television in Latin America. It sponsors an audiovisual market where the latest productions of member stations are exchanged.

Medal for Defense of Cuito Cuanavale Instituted

FL232030 Havana Radio Progreso Network in Spanish 1100 GMT 23 Mar 88

[Text] The Cuban State has decided to institute the medal for the defense of Cuito Cuanavale. The decoration will be given to FAR members on active duty and reservists who, in an active and unselfish way, have jointly participated in the glorious defense of Cuito Cuanavale in the People's Republic of Angola along with the heroic FAPLA [People's Armed Forces for the Liberation of Angola] and who have maintained an exemplary and consistent attitude.

The medal will also be given to courageous soldiers from Angola or any other nation who have fought in this battle along with FAR members and who have in a meritorious way contributed to the failure of the escalating aggression of the racist and fascist South African forces. The decoration can also be given posthumously.

Decree To Give Guarantees to Consumers Studied

FL252052 Havana Tele-Rebelde Network in Spanish 1100 GMT 25 Mar 88

[Text] Very soon people will have a legal instrument available to them to protect themselves from the poor service that is given in certain food and service establishments.

This decree is in the study phase and it is part of the work underway in the country to perfect legislation. It applies to the violations in restaurants, prices, and services. With this legal means, people will be able to defend their interests in this area, and ensure that their rights as a consumer are respected.

The decree is part of a misdemeanor system complementary to the penal code which will go into effect in April.

Haiti

Opposition Leader Arrested; Terrorism Suspected

FL281242 Bonaire Trans World Radio in English 1130 GMT 28 Mar 88

[Text] An opposition leader in Haiti, who is also a U.S. citizen, has been arrested on suspicion of planning terrorist attacks in Port-au-Prince. Soldiers were reported to have found detonators, a remote control device, and a walkie-talkie radio at the home of (Joseph Duse). The report says Mr (Duse)'s name was given to authorities by Colonel Jean-Claude Paul, who had been indicted by the United States on drug-related charges.

Police Search Leads to Arrest of Foreigners

FL252121 Port-au-Prince Radio Nationale in Creole 1400 GMT 25 Mar 88

[Text] The police have searched a house at 25 Thomassin and there discovered several automatic weapons, ammunition, and a radio transmitter powerful enough to permit communication with Colombia. The police arrested nine foreigners—Colombians, Americans, and Dominicans. These people are currently in jail while the police conduct an investigation to find out who these people were working for.

Front Headquarters Searched

FL252132 Port-au-Prince Radio Metropole in French 1700 GMT 25 Mar 88

[Excerpts] The military last night again carried out searches in several sections of Port-au-Prince. We do not as yet know if anything new was found, but yesterday morning, the headquarters of the Consolidated Front for the Liberation of Haiti [Front Unifie pour la Liberation d'Haiti], which is Mr Raphael Bazin's party, was searched thoroughly by soldiers, who were accompanied by a justice of the peace.

Important documents, the party's files, were seized but there were no arrests. We obtained statements from a member of Mr Raphael Bazin's Consolidated Front for the Liberation of Haiti.

[Begin recording] [Unidentified speaker, in Creole] A justice of the peace with a court clerk and some 30 soldiers and 6 officers from the Casernes Dessalines came to search the place. They searched it thoroughly, both upstairs and downstairs. They even searched the water tank. They lit matches and looked inside. They even looked inside the stove, downstairs, where the cooking's done. They searched the house downstairs. They took all the documents that were here. However, they didn't find any weapons or anything, no important papers. They took two or three old documents with the Front's letterhead.

I asked them what their decision was. They said that decisions were not up to them, that they were following orders, that they had come to carry out a search.

So they searched all over, downstairs. They broke down the door upstairs. They were looking for the office, so I showed them where it was. They opened all the doors. They found nothing. So I asked them what they had decided. They said no, that they were finished, and if we needed the documents, we could come get them down there. They carted away all documents on the Front's letterhead paper.

[Reporter] They took your documents?

[Speaker] Yes, they did.

[Reporter] How did they act while they were searching?

[Speaker] They all came in with weapons in hand, and they pointed them at us, in order to pressure everyone. I was the one who was here. Since I am a former serviceman, I was not intimidated. I was here with that man there. I knew we were not in danger here. We have no weapons. We are not doing anything illegal. [passage omitted]

[Reporter] Did they tell you what they were looking for?

[Speaker] They didn't tell us anything. [passage omitted]

[Reporter] What is Mr Raphael Bazin's reaction to this?

[Speaker] Well, we don't know yet.

[Reporter] Is he in Haiti?

[Speaker] Yes, he is here. We have already reported this to him, but we haven't gotten a reaction from him yet. [end recording]

Weapon Found on Soleil Premises

FL252151 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 25 Mar 88

[Text] The administration of Radio Soleil yesterday morning called the Criminal Investigations Department to come pick up a heavy-caliber pistol the radio station's watchman discovered hidden in a bag under the staircase leading up to the radio station, near the mailbox.

A brigade of approximately 10 policemen headed by Lieutenant (Carlo Alexis) arrived at the radio station at Petit Seminaire [College Saint-Martial], together with the justice of the peace for the eastern section [of Port-au-Prince], Mr Andre Normil, at around 0945.

Upon opening the bag, the Criminal Investigations people found a 9-mm Taurus PT-92 automatic pistol, (?serial) number 54-1409; three ammunition clips; and several cards, which permitted them to identify the weapon's owner.

The weapon belongs to a former sergeant named (Ricles Theodore). He is today a civilian employee—a National Palace chauffeur.

For their part, the Criminal Investigations Department said that it had received no report that the weapon was missing. According to a source from the chauffeurs section of the National Palace, (Theodore) had lost his Taurus a few days ago.

However, there is a question that remains: Under what circumstances did the former sergeant lose the weapon? Only Mr (Theodore) can explain. Our attempts to contact him failed. Mr (Theodore) was nowhere to be found.

Nevertheless, we learned at midday yesterday that he had been summoned to appear at the Criminal Investigations Department today, Friday.

Vigilance Urged

FL252200 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 25 Mar 88

[Text] The police continued to search vehicles last night in several parts of Port-au-Prince and Petion-Ville. In a press release dated 24 March, KID, which is the Confederation for Democratic Unity, asks the population to be vigilant in connection with these searches the Army has conducted for the last few days.

After carefully watching the government television station's reportage on the search of a house in Bel-Air, KID asks all citizens to be vigilant to prevent the enemy from planting weapons in their cars or in their yards in order to later hold them responsible.

March Against Waste in Gonaives Prohibited

FL252212 Port-au-Prince Radio Metropole in French 1700 GMT 25 Mar 88

[Excerpts] The peaceful march that was to have taken place today, Friday, 25 March, in Gonaives to protest the presence of toxic waste at the Sedren wharf, was forbidden by the Gonaives authorities, who claimed there was a risk that incidents would occur.

[Announcer switches to Creole] The commander of the military department of the Artibonite last night summoned the members of the organizing committee for the march to inform them that the march was being prohibited. He told them there were many unfamiliar faces in town, and there could be incidents which the police forces might find themselves unable to control. That was why he was prohibiting the march scheduled for today.

The committee gathered anyway in the square in front of the church this morning. The military, who have been patrolling Gonaives since this morning, made them disperse. The march did not take place. Here is (Fegerson Legro)'s report:

[Passage omitted] At present, there is much talk about this in Gonaives. They are saying: Where is the democracy that was supposed to blossom in this country, too? This clearly shows that democracy will not be established in Haiti. They are not going to give the Haitian masses the chance to demand their rights. Thus, there is a lot of talk about this matter. [passage omitted]

The organizers of the march are going to hold a news conference to tell the press and the people who are in Gonaives how it came to happen that the march was not held. [passage omitted] We will keep you informed. [passage omitted].

Inaugural Issue of Konakom Monthly Published

FL252222 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 25 Mar 88

[Text] The National Committee of the Congress of Democratic Movements [Konakom] has just published the first issue of its monthly bulletin. This first issue is dated 16 February-15 March 1988.

In the first issue of this organ, which is called SOLEY LEVE [THE LIGHT HAS DAWNED], Konakom explains the new strategy it has formulated in view of the social and political situation in Haiti today. For Konakom, this (?juncture) represents a new stage in the struggle, requiring a critique of the struggle Konakom has been waging at the side of the Haitian people for the past year, a struggle that Konakom thinks has seen both victories and defeats.

Konakom promises to share the results of these reflections at an opportune moment in the future with all democrats and staunch patriots from all sectors in Haiti.

Konakom asks everyone struggling to effect change in Haiti to help and collaborate with the bulletin by sending all types of information about the area in which they live to the Konakom office, addressed to the SOLEY LEVE committee.

St Lucia

Prime Minister Supports Noriega's Removal

FL251952 Bonaire Trans World Radio in English 1130 GMT 25 Mar 88

[Text] St Lucia's Prime Minister John Compton has expressed a desire to remove Panamanian military General Noriega from power. In the statement, Mr Compton said he is, in his words, appalled by the departure of Panama from the democratic path, and he said that St Lucia supports the efforts of the people to restore democracy in Panama.

Two St Lucian opposition parties have come out in support of General Noriega.

Ramirez Briefs De La Madrid on Sapoa Talks

FL251936 Mexico City NOTIMEX in Spanish 1909 GMT 25 Mar 88

[Text] Mexico City, 25 Mar (NOTIMEX)—Nicaraguan Vice President Sergio Ramirez Mercado has said here that Mexico will launch an appeal to the international community to ask for support for the accords reached in Sapoa (between the Nicaraguan Government and the contras). The Nicaraguan official added that, as published today in the Mexico City daily LA JORNADA, President Miguel de la Madrid had expressed satisfaction over the negotiations between the Nicaraguan Government and the contras.

Ramirez also said that in his meeting today with Guatemalan President Vinicio Cerezo in Cancun, President de la Madrid will convey this satisfaction over the accords.

The 60-day truce between the contras and the government, he stated, is not a temporary measure. It is the beginning of a cease-fire in the conflict. He also urged negotiations between the U.S. and Nicaraguan Governments because the necessary conditions exist. He noted that the Reagan administration might try to boycott the Sapoa accords. For this reason, he is requesting international support for total peace in Nicaragua.

After meeting with the Mexican president to brief him on the Sapoa talks, Ramirez said at a news conference that it would be hard to organize another armed contra group. Lastly, he noted that the U.S. Government tried several times to prevent concrete accords during the 3 days of talks in Sapoa (21-23 March).

Guatemalan President Makes Official Visit

C.A. Situation Discussed

FL260137 Mexico City NOTIMEX in Spanish 2340 GMT 25 Mar 88

[By correspondent Leonardo Valadez]

[Excerpt] Cancun, Quintana Roo, 25 Mar (NOTIMEX)—President Miguel de la Madrid said here today that Mexico reiterates its unvarying position and demands absolute respect for the sovereignty of peoples, legal order, and the principles governing peaceful coexistence among nations.

The Mexican president made the statement in a message welcoming Guatemalan President Marco Vinicio Cerezo Arevalo, who is on an official 2-day visit to Mexico in the company of several members of his cabinet.

De la Madrid declared that in view of the systematic violation of laws, and in view of economic aggression, military intimidation, and interference in the domestic affairs of the Central American nations, Mexico reiterates its unvarying position. Because we have a memory, we know that no state can claim a monopoly on political truth, that there is no single model of social organization, and that democracy cannot be imposed from outside—it has to come from within the people themselves, De la Madrid emphasized.

We view with concern, he added, how military threats and foreign interference are gaining ground in Central America. In view of this, we cannot favor a political vacuum, indifference, or silence.

Concerning his talks with the Guatemalan president, De la Madrid noted that they will also have to discuss the challenges that severely disturb the tranquillity, peace, and stability of the region.

I am certain that we will personally examine the state of the joint projects Guatemala and Mexico have set in motion and that, on this occasion, you and I will find formulas to speed up this process even more in a spirit of equality and fraternity, De la Madrid stated.

At the conclusion of the Mexican president's speech, President Cerezo said that Guatemala is ready to do everything possible to make other nations in the world respect us, to make them realize that we have the right to choose. We should also be able to help other peoples of the world become the masters of their own destiny. He told De la Madrid: We Guatemalans appreciate your stance on Guatemala's democratic process. It is a stance that has gone beyond simple rhetoric and been translated into active solidarity and, through concrete deeds, into political support and economic solidarity.

I am convinced that on this occasion, as in previous instances, we will confirm our will to contribute to the creation of the conditions that will result in Central American nations themselves choosing the society they have always dreamed about, President Cerezo stated. [passage omitted]

Joint Communique Signed

PA262325 Hamburg DPA in Spanish 1920 GMT 26 Mar 88

[Text] Cancun, Mexico, 26 Mar (DPA)—The presidents of Mexico and Guatemala, Miguel de la Madrid and Vinicio Cerezo, today expressed their "serious concern" over the Panamanian crisis and their repudiation of "all forms of foreign intervention" in that country.

In a joint communique issued at the end of their meeting in Cancun, the presidents of both countries also expressed their hope that Panamanians, "through reflection and dialogue, will find democratic solutions to the crisis currently afflicting them."

Regarding the regional situation, the presidents said that they felt hopeful over achievements "in democratization, national reconciliation, and cease-fires," and called upon the "countries with ties and interests" in the area to contribute to the peace process by not interfering.

The meeting between Cerezo and De la Madrid ended today in the Caribbean tourist resort of Cancun with a clear demonstration of Mexico's political support and economic solidarity with Guatemala, which was strongly reflected in the joint communique.

In the document, the presidents said that the increased incidence of repatriation of Guatemalan refugees camped at the border is proof of the "evident consolidation of the Guatemalan democratic process."

Upon evaluating bilateral economic relations, they expressed the need to change their "erratic and limited behavior with regard to the amounts involved," and to correct the trade imbalance that amounted to a shortfall of approximately $100 million for Guatemala during 1987.

Mexico expressed its willingness to accept a group of Guatemalan products with minimum import duties and to seek, for a period until next April, "imaginative and mutually acceptable solutions" to the problem of the $600- million Guatemalan debt.

At a joint news conference, Cerezo and De la Madrid stressed the excellent level of bilateral relations.

Capital city correspondents agreed with this assessment, pointing out that the Cancun talks allowed both presidents to smooth over differences that had emerged over the last few months concerning the regional crisis.

An unidentified government source told LA JORNADA that Cerezo and De la Madrid "managed to reestablish high-level political communications" after discussing their "differences openly and frankly."

Costa Rica

Arias: Sapoa Agreement 'Important Step'

PA250447 San Jose Radio Reloj in Spanish
0100 GMT 25 Mar 88

[Text] President Oscar Arias Sanchez has described the 60-day cease-fire agreement reached by the Nicaraguan Resistance [RN] and the Nicaraguan Government as an important step on the road to peace in the region. This gives us new hope, optimism, and confidence that we are on the right track. I do not want to think, for even a minute, that we might backtrack on this road on which we have embarked, the road that will lead us to peace in Central America, the president said.

However, the president added that it will be necessary to wait out the 60 days to see if the decision made in Sapoa is carried out, and if we will be able to advance in a number of areas in the 7 April [date as heard] meeting.

President Arias Sanchez said that beginning on 1 June, it will be very important to begin multilateral meetings. Such meetings, to discuss a number of important topics, were suggested some time ago by the U.S. secretary of state and by President Reagan.

President Arias Sanchez said that it is important to consider including on the agenda other topics related to the peace agreement signed in Guatemala. These topics, he said, should include the security of all the countries and demilitarization, that is, the reduction of armies in order to establish a balance among the armed forces in Central America, as provided for in the Guatemala agreement.

President Arias said that it is important for the two superpowers to do their part. He said that with their commitment, the five regional countries can manage—if the two superpowers keep their hands off Central America. If a cease-fire is achieved in the next 60 days, [words indistinct] there is no reason not to advance in fulfillment of the other important points included in the Guatemala agreement, he added. Those points, he said, include a dialogue within the National Reconciliation Commission. He added that the Sapoa agreement will permit the commission to move more quickly toward internal democratization in Nicaragua.

The president said that the inclusion of six or seven members of the RN in the commission will make it easier to negotiate and [words indistinct] will be greater than when they were fighting in the Nicaraguan mountains.

Spanish Prime Minister Gonzalez Visits

Discusses Panama

PA262222 San Jose Radio Impacto in Spanish
1830 GMT 26 Mar 88

[Text] Today Spanish Prime Minister Felipe Gonzalez began his official visit to Costa Rica, where he will hold in-depth talks regarding the situation in Panama and attend official events. In statements to the press during an event held this morning in downtown San Jose, Gonzalez expressed his support for a democratic solution to the Panamanian problem. However, he added, we must respect the domestic affairs of other countries. We must help in every way we can without interfering in their domestic affairs. In response to a question as to whether Spain will accept General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, should he decide to leave the country, Felipe Gonzalez said: We have to wait until he makes the request.

The Panamanian crisis will be the main topic to be broached tomorrow when Felipe Gonzalez meets with Costa Rican President Oscar Arias, former Colombian President Alfonso Lopez Michelsen, and former Venezuelan President Carlos Andres Perez. The meeting will be held at Guanamar, a beach on the Pacific coast, which cannot be reached by land and has no telephones. According to official spokespersons, the Spanish Government feels that Panamanians must find their own negotiated solution to the problem. Felipe Gonzalez said that he does not expect to meet with Panamanian Government or opposition representatives during his stay in Costa Rica.

Felipe Gonzalez also said that the cease-fire agreed upon by the Nicaraguan Government and the contras in Sapoa is a sign of hope for peace in the area. However, Gonzalez warned that there must be patience and that the work must be done little by little. The Spanish prime minister did not dismiss the possibility that on this trip he could visit other countries of the area, and, with half a smile, he answered a question regarding alleged U.S. pressure on him not to visit Nicaragua. Gonzalez replied, ironically: I always travel following an itinerary drafted by the U.S. State Department. Gonzalez did not bother to deny the allegation.

Felipe Gonzalez arrived in Costa Rica last night. He is accompanied by his wife, Carmen Romero, and Spanish Foreign Minister Francisco Fernandez-Ordonez. Gonzalez was met at the airport by President Oscar Arias and his cabinet. This morning, after having had breakfast with President Arias, Gonzalez inaugurated the Hispanic Brotherhood Fountain [Fuente de la Hispanidad]. The fountain was built to commemorate the 5th century of the discovery of America. This afternoon, Felipe Gonzalez will attend a working session and will meet with the Spanish community in San Jose at the Spanish Country Club. Tonight Gonzalez will attend a gala event hosted by President Arias at the National Theater.

Supports Arias' Stand

LD262251 Madrid Domestic Service in Spanish
1900 GMT 26 Mar 88

[Text] We now finally have a direct line with Costa Rica. The Spanish prime minister, Felipe Gonzalez, is there on an official visit. Juan Luis Diaz Prat, go ahead:

[Diaz Prat] The head of the Spanish Government, Felipe Gonzalez, identified himself completely with the Costa Rican president, Oscar Arias, who is also a Social Democrat, in this Central American leader's commitment to attaining peace and democracy in the region.

[Begin Gonzalez recording] I want to tell you that Spain supports the peace effort. If our countries' foreign policies have any value then it is in wanting for others what we also want for our peoples. If we want for our peoples coexistence in peace and freedom, then this is what we want for all peoples. If we defend the values of democracy, pluralism, respect for others' ideas, and tolerance, then this is what we want for other peoples. If we think that progress is not possible, mankind's real progress, unless it is based on respect for its own freedom [words indistinct] then this is what we want for all peoples. And for this reason, we feel near and close to our brother Costa Rica in its defense of tolerance as a value that guarantees progress.

I do not want there to be any doubts on that. Sometimes I see that the interpretations given our positions are not exactly those I am talking about on this platform. I have said publicly and clearly that peace is a necessary condition for democracy and development. But even that is not enough. Apart from peace, democracy and development are needed. [applause] I repeat this, because this forms part of my convictions: Democracy is not the result of an exchange, it is a people's right. It is the right of the people. [end recording]

[Diaz Prat] Felipe Gonzalez said this during the inauguration of the Hispanic Brotherhood Fountain, where he and President Oscar Arias presided. The ceremony took place near San Jose University. Arias and Gonzalez began their private talks early on Saturday morning and they will take up most of today. According to the Costa Rican president, they discussed the hopes that have emerged from the cease-fire in Nicaragua and the distress being felt by the Panamanian people.

Meets With Arias

PA262356 San Jose Radio Impacto in Spanish 1830 GMT 26 Mar 88

[Text] Hundreds of people—students, civilians, local and foreign correspondents, and cabinet members—attended this morning's special event during which the Hispanic Brotherhood Fountain was inaugurated. The fountain, located at the San Pedro rotunda in San Jose, was inaugurated by Costa Rican President Oscar Arias Sanchez, who was accompanied by Spanish Prime Minister Felipe Gonzalez. Gonzalez arrived in Costa Rica on Friday night. Even though Gonzalez' visit is not an official visit but rather a working visit, he was greeted with honors.

Regarding the talks held with Prime Minister Gonzalez, Costa Rican President Arias said:

[Begin Arias recording] Costa Rican friends, we have talked about changes. We have talked about the hopes born in Sapoa and the anguish experienced by the Panamanian people. We have talked about development, of how the path of peace ensures the well-being for the majority and how this should never be changed.

The dreams we have and wish to give our youth, our future generations, will only become possible if our current actions are aimed at combating misery, planting a forest, disarming the soldier, stripping the tyrant naked, cleaning our air, and putting an end to that fear of freedom. [end recording]

Arias Sanchez said that the inauguration of the Hispanic Brotherhood Fountain was dedicated to Spain, the motherland, and to Prime Minister Felipe Gonzalez on the occasion of his visit. In his speech, President Arias said that in May 1988, he went to Spain to ask for help to strengthen the economic development of the Costa Rican people.

Addressing President Arias, Prime Minister Gonzalez said:

[Begin Gonzalez recording] Mr President, when I met with you in May, I told you that Spain supports your peace efforts. I wish to reiterate this today. [applause] If our country's foreign policy is worth anything, it is because we only want for others what we want for our own people. If we want peaceful coexistence and freedom for our people, then we want peaceful coexistence and freedom for all the peoples.

Peace is a necessary condition for democracy and development, but even this is not enough. In addition to peace, we also need democracy and development. [applause] I have reiterated this because I am convinced democracy is not a system for changes; it is a right of the peoples; it is a right of the peoples. [repeats himself] [applause] Therefore, democracy cannot be negotiated. It is a right of the peoples, and it must be respected. As rulers, we must defend it. [end recording]

Felipe Gonzalez continued by saying that this is the political responsibility of all rulers and that each ruler must surrender power to the person who wins the majority of the votes cast by the people. Gonzalez also said that Costa Rica is a symbol of democracy for the world, because peaceful coexistence in the world has become an exception and not a rule. However, in Costa Rica, peaceful coexistence is a rule.

Gonzalez, Arias Speeches

LD280209 Madrid in Spanish to Europe 1130 GMT 27 Mar 88

[Excerpt] [Passage omitted] Our correspondent in Central America, Juan Luis Diaz Prat, reports on the Spanish prime minister's working visit to Costa Rica:

[Diaz Prat] Felipe Gonzalez wants Central America (?to be) a (?real and stable) model of society living in peace, free and democratic, and developing in a just manner. This proposal is the main reason for the current visit by the Spanish prime minister to the region, which he is beginning in Costa Rica. This is what Gonzalez himself said during the speech which he made last night at the gala dinner which his host, President Oscar Arias, held for him at the San Jose National Theater:

[Begin Gonzalez recording] [Words indistinct] not only our desire to contribute as far as possible to the building of regional peace; it also expresses something else: It expresses above all our desire to affirm a foreign policy which attempts to follow in this external projection what we wish to build for Spain. Costa Rica is a good model for this, prior to the model of Spanish transition, prior to our efforts (?and our own) capacity as Spaniards to live in peace and freedom. We would like (?to see such development) in Central America. (?Here) we would like to make a contribution in Central America. We would like to contribute to the existence of a climate of peace and this is the kind of climate of peace offered by Costa Rican society. We would like to contribute to the development, based on this climate of peace, of a free and democratic society, and this is the sort of society in Costa Rica. We would like to contribute to the same extent as we would wish for ourselves, to a just social development; this is the sort of effort being made by Costa Rica. [Words indistinct] very good reasons for being here. [end recording]

[Diaz Prat] in his speech, the Spanish prime minister also commented on the role of the armed forces in a democratic society:

[Begin Gonzalez recording] It is vital to reestablish the supremacy of civilian power in those places where civilian power is in crisis. It is vital to respect the role of the armed forces in those places where they are playing the part they should be playing: defending the independence and integrity of their country. However, it is very important that the people's fate should be determined by votes and not by boots going into action; it should be in order to defend the people because the civilian power which represents these people has made that decision, and not because the will of these people is being supplanted and the decision has been made (?for them). [end recording]

[Diaz Prat] In his speech earlier President Oscar Arias also referred to the role of the military in the Latin America of today:

[Begin Arias recording] We cannot continue to accept that in Latin America the men of weapons can be a political alternative to freedom. I must point out that the time (?to be motivated) has proclaimed itself. It is the time to choose between arms and freedom, between the buildup of weapons and development, between justice and inequality. History has proved forcefully that these paths are mutually exclusive.. There has been enough of the armed forces which subdue their people and terrorize their fellow citizens. The only (?stocks) of weapons Latin America will tolerate are those which are loyal to the Constitution and the laws, loyal to their peoples. [end recording] [passage omitted]

Further on Speeches

PA280440 Madrid EFE in Spanish 0720 GMT 27 Mar 88

[Report by Wilfredo Chacon; quotation marks as received]

[Text] San Jose, 27 Mar (EFE)—Spanish President [title as received] Felipe Gonzalez has reaffirmed Spain's commitment to contribute to the Central American peace efforts, but he asked the governments of the region not to be satisfied with the initial results.

In his second speech in this capital, delivered during a dinner with Costa Rican President Oscar Arias, Gonzalez clearly said, "We cannot stop at a cease-fire or at the amnesty conditions, because we must open up the road so the people may decide in free elections on the paths they want to follow.

Gonzalez also said that for many years Nicaragua has not experienced 60 consecutive days of peace; therefore, the cease-fire is a "breath of peace."

There is an added hope in the region with the cease-fire agreement signed by the Nicaraguans, but it is not enough to resolve the problems faced by that country, Gonzalez said.

On this same topic, Arias said: "We want peace, but peace is only possible when there is freedom."

It is time to choose, Arias added, "between weapons and freedom, between an arms buildup and development, and between justice and iniquity."

Without mentioning the country by name, the Panamanian situation was also discussed in the speeches of both presidents.

The Spanish president said, "It is important to return to civilian rule where it is in crisis."

"It is very important for votes and not boots to decide the people's fate," Gonzalez added.

"In Latin America, we can no longer allow military men to become political options to freedom," Arias said.

Arias, Nobel Peace Prize winner in 1987 because of his efforts to achieve peace and democracy in Central America, said in his speech that "Costa Rica borders extremely serious conflicts to the north and south."

When we look toward the north, Costa Rica shouts "Freedom and democracy to end the war." When we look toward the south, our words are the same, because we are not going to betray our principles, Arias said.

In that regard, Arias pointed out that the violence "offered to us from abroad" is not the path that is most advisable for the people of the region, because "our sons get killed and our economic progress slows down."

Felipe Gonzalez and Oscar Arias agreed that the future of the peace process is currently in evolution in the area, but they also predicted difficulties.

We should not lose sight of the attempts that will be made to block that path of hope, Gonzalez warned. Arias talked about "the many powerful forces wishing to end our hopes for peace" in the region.

Arias also emphasized Gonzalez' solidarity with the Central American people and his promise to "overcome the obstacles together."

Arias added, "God willing, the road to peace that began in Sapoa" will put an end to the war that has killed our brothers in Nicaragua and will be an inspiration "to our brothers in El Salvador and Guatemala," so they may also lay down their weapons and open up the door to prudence and fraternity."

Both presidents met all day Saturday, beginning with breakfast at the Arias family residence, at the inauguration of the fraternity fountain, lunch at noon, and during the afternoon at the Spanish Country Club.

Gonzalez spoke to Spanish residents in Costa Rica about the political progress in his fatherland and about the problems that still remain to be resolved.

"The most important thing is that we have been able to understand that we have been able to live in peace and in freedom—both things at the same time—and even though there is still some fanaticism, there is not much," Gonzalez said.

Today Gonzalez and Arias traveled to a private beach on the Pacific Ocean, where they will continue their working meetings with two other Social Democrats, members of Socialist International.

The former presidents of Venezuela and Colombia, Carlos Andres Perez and Alfonso Lopez Michelsen, respectively, will participate in a meeting where they will speak about the Central American problems and the Panamanian political crisis, which began in June.

El Salvador

Government Praises Nicaraguan Cease-Fire

PA251525 San Salvador Canal Doce Television in Spanish 0300 GMT 25 Mar 88

[Text] Today the Salvadoran Government praised the cease-fire signed between the Managua government and the Nicaraguan Resistance. Acting Communications Minister Eduardo Colindres acknowledged the temporary truce in Nicaragua and said that the government supports every action that will lead to an end of the violence and the war in the region. We hope it does not turn out to be just another piece of paper, but that progress will be made in the Central American peace process, said the official.

Last night in Sapoa the Nicaraguan Government and contra delegations signed a temporary cease-fire agreement for 60 days, which will become effective 1 April.

Colindres said that Salvadoran Foreign Minister Ricardo Acevedo Peralta, who is attending the second meeting of the Esquipulas II foreign ministers executive commission in Guatemala, will issue a statement in the name of his government urging a continuation of the efforts necessary to achieve peace.

Guatemala

Cerezo on Sapoa; Foreign Ministers Talks End

PA251840 Guatemala City Teleonce Television in Spanish 0400 GMT 25 Mar 88

[Passages within quotation marks recorded]

[Text] President Vinicio Cerezo has expressed his satisfaction for the agreements reached during the Sapoa meetings.

[Cerezo] "Positive, it is definitive. Despite all those who have been pessimistic about the process, miracles such as these agreements are emerging. I firmly believe the peace process is advancing. There are difficulties, because any process faces obstacles. Nevertheless, there is political will. We will consolidate peace in Central America, and it will become an example to the world."

Cerezo Arevalo added that Guatemala supports all actions seeking to attain peace in Central America, and he commented on the U.S. persistence in providing assistance to the Nicaraguan contras:

[Cerezo] "We support any decisions seeking to fulfill commitments to bring peace to Central America, which will serve as examples for other nations such as El Salvador, so irregular forces may join political life in the country.

[Reporter] "Some reports received in Guatemala City say the U.S. Senate had authorized sending weapons to the counterrevolution. Does the Guatemalan Government have any official reports on this?

[Cerezo] "Nothing. There is an open discussion in the United States, and that is a problem of the U.S. people's conscience."

In Guatemala City, it seemed the foreign ministers meeting had reached a stalemate point this afternoon, to the point that President Cerezo himself went to the meeting to help Foreign Minister Alfonso Cabrera find points of agreements that would help overcome the stagnation in the talks. After meeting with the visiting foreign ministers, President Cerezo said:

[Cerezo] "The point is to try to convey our confidence in the concerted efforts. Problems are always very difficult, but the moment one sits down at the negotiating table to try to find points of agreement rather than points of disagreement, one usually reaches agreements. We have been talking, and I believe there are hopes some positive steps could be adopted for the benefit of the peace process, as has been occurring in the past few days."

A few hours later, after the Central American foreign ministers meeting had concluded amidst signs of confusion and disagreement, the foreign ministers agreed to declare they are in permanent session. Such a decision, however, does not imply that the meeting, which began yesterday in Guatemala City, will continue. The five foreign ministers will meet again on 7 April, at a place not yet determined. The meeting was intense and difficult for the Central American foreign ministers and their advisers, and was characterized by the controversy between Nicaraguan and Honduras as a result of the Sandinist government's decision to resume its legal actions at The Hague International Court of Justice.

The foreign ministers meeting was held amidst banquets with fine liquors, laughter, smiles, and bitter faces; while local and foreign journalists were attempting to get impressions that would somehow clarify the prevailing confusion. Despite the obvious signs of disagreements, in their statatements to the media at the end of the meeting the foreign ministers refused to admit that the Guatemala meeting had failed. The ministers emphasized that some progress had been accomplished concerning the situation in the continuing regional meeting prior to this meeting.

Envoy to Panama Recalled for Consultations

PA252307 Guatemala City Teleonce Television in Spanish 0400 GMT 25 Mar 88

[Text] Guatemalan Ambassador to Panama General Rodolfo Lobos Zamora was recalled for urgent consultations with the Guatemalan Foreign Ministry on the Panamanian political crisis. The official announcement on Lobos Zamora's summons for consultations states that the Guatemalan Government is deeply concerned about the regional situation, especially the situation in Panama, where one of the predominant issues is the possibility of a U.S. intervention.

Government Releases Czechoslovak Citizens

PA260342 Panama City ACAN in Spanish 2145 GMT 25 Mar 88

[Excerpts] Guatemala City, 25 Mar (ACAN-EFE)—Today the Guatemalan Army released the five Czechoslovaks charged with "spying," who are touring the world in a mobile home. The five Czechoslovaks were arrested by the Guatemalan Army on 10 March in the northern Peten Department.

Guatemalan Deputy Foreign Minister Julio Martini said the "case had been resolved." He added that it was proven the Czechoslovak tourists and scientists "are not spies." [passage omitted]

Deputy Foreign Minister Martini said "it was proven the five men entered Guatemala legally and with tourist visas." He said that contrary to the charges made by the Army, they "did not violate the immigration law or any other law." [passage omitted]

The Guatemalan authorities did not allow the press to interview the five Czechoslovak citizens, who have already left Guatemala to continue their sightseeing tour of the continent. It was learned that the Czechoslovak Embassy in Nicaragua negotiated their release.

Honduras

Foreign Ministry Protest Note to Nicaragua

PA251539 Tegucigalpa Voz de Honduras Network in Spanish 1804 GMT 24 Mar 88

[Communique issued by the Foreign Secretariat in Tegucigalpa on 24 March]

[Text] Press Communique No 020-88

On 23 March 1988, Honduran Foreign Secretary Carlos Lopez Contreras issued the following note to Nicaraguan Foreign Minister Miguel D'Escoto Brockman:

I address Your Excellency to notify the Nicaraguan Government of the events which I herewith indicate, and to present the Honduran Government's strongest protest over said events.

Yesterday, 22 March 1988, at 2000, approximately 50 members of the EPS violated Honduran territory by entering our country through the sector of Pico Espanol, El Paraiso Department. Almost simultaneously, approximately 300 members of the EPS crossed the border and entered our country in a new invasion through the Bocay area, Olancho Department.

Upon presenting the Honduran Government's strongest protest to the Nicaraguan Government over these events, which represent an affront to our sovereignty and a clear and obvious violation of international laws—the Honduran Government will not be held responsible for the consequences—I do not hesitate to tell you that such acts of provocation and aggression tend to aggravate the already tense situation prevailing at our joint border.

I reassert to Your Excellency the assurances of my highest and most distinguished consideration.

[Signed] Carlos Lopez Contreras, Foreign Secretary

Foreign Minister on Foreign Policy, U.S. Troops

PA252216 Tegucigalpa Voz de Honduras Network in Spanish 1730 GMT 23 Mar 88

[Statements by Foreign Minister Carlos Lopez Contreras to the National Congress in Tegucigalpa; date not given—recorded]

[Excerpts] Honorable members of the Congressional Board, honorable deputies of the National Congress, Mr Defense Minister, government officials, representatives of the local and foreign media, and Mr President:

On behalf of the executive branch, I thank this chamber for giving me the opportunity to refer once more to the basic guidelines of President Azcona's foreign policy and the developments that characterize the crisis of the last few days at the junction of the Coco and Bocay Rivers in the Bocay area, Olancho Department.

Two years ago in this chamber I outlined our foreign policy principles. I referred at that time to our four-point national security strategy. There is no more fitting occasion than a crisis to appear before the National Congress and refer to these matters. The intense interest in the media about this crisis and the opinions expressed by some sectors indicate that certain sectors are more concerned about the presence of an ally who has come to help us protect our national territory than over the military invasion of our territory by a neighboring country.

Mr President, let me return to the overall concepts in Honduras' national defense strategy and its four-point approach. I said this strategy consists of: 1) our own defense means; 2) the procedures for the peaceful settlement of disputes and for collective security; 3) bilateral mutual assistance treaties; and 4) disarmament and security talks to achieve regional detente. [passage omitted]

Despite repeated promises, the Sandinist regime has not established political conditions of tolerance and national reconciliation to make it unnecessary for armed forces to be used and for opposition groups not to have to seek sanctuary in neighboring territories.

Mr President, for these reasons the government has had the foresight to establish various security mechanisms, one of which is the special security relationship between Honduras and the United States. In light of the growing Soviet threat in Central America, this was made public in the joint declaration issued by the presidents of the two countries in Washington on 21 May 1985; that is, during the previous administration. [passage omitted].

The Honduran Armed Forces have noticed that the Sandinist forces are slowly withdrawing from the Bocay area. In view of this, the U.S. forces that arrived here to support Honduras will leave our territory over the weekend. The request for military assistance by Honduras was one of the responses—one of the Honduran responses—to the unjustified Sandinist aggression. This request was based on the constitutional mandate embodied in sections 3 and 4 of Article 245, to which I have referred, on the special security relationship between the two countries, and on the agreements and protocols in effect, which are their formal expression [14-second break in reception]. The supporting document is the Inter-American Reciprocal Assistance Treaty; that is, the Rio de Janeiro agreement.

The U.S. Government reacted by offering several alternative means of assistance. Honduras selected that of a military exercise with U.S. troops because of its strong deterrent aspect against aggression. The deployment of U.S. troops is another of the joint exercises that have been carried out for several years in Honduras. This in no way involves the passage of foreign troops through Honduran territory.

To those who make defamatory remarks against the government, in Honduras or abroad, President Jose Azcona's government states that the Sandinist incursion into our territory was indeed considered an aggression by an occupying Army. The deployment of U.S. troops to Honduras at our government's request in view of the emergency situation gives the U.S. troops the status of a guarantor force because of their deterrent nature against an aggression.

The Honduran response to the Sandinist aggression had three aspects: First, there was a diplomatic response at a presidential level; second, mutual support mechanisms were implemented; and third, there was a military action to repel the aggression by the Armed Forces inside the national territory.

Honorable deputies, this has been the context of the events at the Nicaraguan border. The Honduran Government has maintained the prudence and firmness the circumstances have demanded. We have wanted to maintain calm among the Honduran people so no one would be unnecessarily alarmed. This would not have contributed to our overcoming the difficulties I have pointed out.

In conclusion, honorable deputies, I wish to reiterate what President Azcona has publicly announced: The conflict may be between the Sandinists and the contras, but we will not allow our territory to be used as a game preserve. The U.S. troops in our territory have not come to invade Nicaragua but to serve as a deterrent factor in view of the aggression. I assure you the Honduran Armed Forces are keeping the situation under control. [passage omitted]

Nicaragua

D. Ortega Reads FSLN Communique Backing Sapoa

PA260118 Managua Domestic Service in Spanish 0010 GMT 26 Mar 88

[Communique issued by the FSLN at the end of a meeting with government and FSLN party cadres held at the Olof Palme Convention Center in Managua on 25 March—recorded; read by President Daniel Ortega Saavedra, coordinator of the FSLN Executive Commission]

[Text] The FSLN National Directorate and the Sandinists express their full support for the Sapoa agreement signed by the Nicaraguan Government and the counterrevolutionary leadership on 23 March. The signing of this agreement lays the groundwork for working toward a firm and lasting peace in Nicaragua.

The Sapoa agreement affirms the sovereignty, self-determination, independence, and will for peace and democracy of Nicaragua's legitimately constituted government, which defends the FSLN platform and plan for struggle.

The FSLN will continue to defend the peasants' right to own land and to work, the workers' right to organize, and the freedom of expression to which workers, peasants, and all social and economic sectors in this nation are entitled.

The FSLN supports the Sapoa agreement, which does not question the foundations and changes of the revolutionary process that are guaranteed within the Constitution: political pluralism, a mixed economy, and a policy of nonalignment.

The FSLN urges all the heroic Nicaraguan people to firmly demand that the counterrevolutionary leadership comply with the Sapoa agreement and that it be respected by the U.S. Government.

The FSLN demands that the U.S. President and the Republican and Democratic Parties cease any aid, overt or covert, to the counterrevolutionaries and respect the agreements signed in Sapoa.

The FSLN demands that the U.S. Government withdraw the U.S. troops sent to Honduras in open defiance of the peace efforts.

The FSLN urges the Honduran Government to not allow itself to become an instrument of U.S. policy at a time when the Reagan administration is trying to create tense relations between Honduras and Nicaragua by fabricating invasions to justify its plans of aggression—in fact, direct aggression—against Nicaragua.

The FSLN, by supporting compliance with the Sapoa agreement, urges Central American governments to fulfill the Esquipulas II peace plan, just as Nicaragua has been fulfilling its commitments.

The FSLN urges workers, peasants, and all Nicaraguans to continue promoting the military, economic, political-ideological, and political-diplomatic defensive tasks to face the aggressive policy the United States is carrying out against Nicaragua in every sphere.

The FSLN demands that the U.S. Government abide by the ruling of the International Court of Justice by immediately stopping any kind of direct or indirect or covert aggression against Nicaragua and proceeding to compensate the Nicaraguan people for the damage caused through the loss of lives, the wounding of people, the mutilation of Nicaraguans, and the destruction of the economy. It also demands that the U.S. Government immediately stop the economic embargo.

The FSLN urges the U.S. Government to establish a direct dialogue with the Nicaraguan Government to normalize the political, diplomatic, economic, and commercial relations between the two nations.

1988, for a dignified peace. Free fatherland or death.

Managua, 25 March 1988

Comments on Accord

PA260227 Managua Domestic Service in Spanish 0055 GMT 26 Mar 88

[Interview with President Daniel Ortega Saavedra by unidentified reporters at the Olof Palme Convention Center in Managua on 25 March—recorded]

[Text] [Reporter] [Words indistinct] will request humanitarian aid and some military aid should the Sandinist government not abide by the agreements. What is your opinion on this?

[Ortega] I hope the U.S. Congress will refrain from approving those funds, because this would go against the agreement [words indistinct]. This would hinder what we have just achieved in Sapoa. They would be disregarding the will expressed in the agreement.

[Reporter] What kind of aid would be acceptable to you?

[Ortega] The kind of aid specified in the Esquipulas agreements—aid that is distributed through neutral humanitarian organizations.

[Reporter] Has the Sandinist government asked for aid from other countries?

[Ortega] As a government, we have every right to have relations with all nations of the world and to ask for help from all the countries of the world.

[Question indistinct]

[Ortega] (?To get the food) that the contras in that area may need. We will guarantee that the food will get there, and we will [words indistinct].

[Reporter] What can you tell us about [contra military leader Enrique] Bermudez rejecting the Sapoa agreements?

[Ortega] I know nothing of that. All I know is that the Sapoa agreements were approved by the contra leadership. Not all the leaders were present, but contra representatives were there.

[Reporter] Who are the 10 [figure as heard] prisoners who will be released on Sunday?

[Ortega] You will find out on Sunday. We will keep our word.

[Question indistinct]

[Ortega] The people have trust in the steps being taken by the government. Today we met with members of the FSLN, and they expressed their complete support for the document we released today.

Urges Border Stability

PA270451 Panama City ACAN in Spanish 0243 GMT 27 Mar 88

[Text] Managua, 26 Mar (ACAN-EFE)—Today Nicaraguan President Daniel Ortega said that there is an urgent need to stabilize the situation on the Honduran border, and he demanded that a multinational force be sent to the area for that purpose.

Ortega said that in November, high-ranking Honduran Government officials said that they agreed with the establishment of such a force, but that nothing has been done so far.

Daniel Ortega made these statements on Saturday night at the Foreign Ministry in Managua, after a meeting with members of the UN technical commission investigating the incidents on Nicaragua's northern border.

The UN commission is headed by Brazilian Gilberto Schiletter Silva, who has been tasked with drafting a report on the situation on the northern border for presentation to the United Nations next week.

The commission was sent as a result of a UN Security Council meeting at Nicaragua's request, after the United States reported an "invasion" of Honduran territory by Sandinist troops.

During the meeting at the Foreign Ministry, President Ortega was accompanied by his brother Humberto, minister of defense and head of the Nicaraguan Armed Forces, and by Nicaraguan Foreign Minister Miguel D'Escoto.

Ortega insisted that stabilization of the situation on the Honduran border would permit the Sandinist government to continue working to implement the Sapoa agreements signed with the armed Nicaraguan Resistance [RN] on 23 March.

"Unless the border is stabilized, the United States will be able to continue trying to stir up trouble in the area, provoking conflicts, and increasing its military presence in Honduras to threaten Nicaragua and to destroy the Sapoa agreements," the president said.

Ortega told newsmen that while the commission was inspecting the northern border, the area was peaceful.

However, he said that members of the Nicaraguan delegation that accompanied the UN diplomats observed a supply operation for the contras on the Honduran side.

According to Daniel Ortega, the U.S. Government "is not very happy" with the signing of the Sapoa agreements, but it "must respect the Esquipulas II and Sapoa agreements and end its military and logistical support for the contras."

Daniel Ortega confirmed that on Monday negotiations will continue with the RN representatives in Sapoa to reach a mutual agreement on the area in which the contras will be gathered until talks are concluded for a definitive cease-fire.

He said that the meeting will last as long as necessary and that Vice Foreign Minister Victor Hugo Tinoco and RN representative Jaime Morales Carazo had already agreed to continue the negotiations.

The Nicaraguan delegation will be headed by Major General Joaquin Cuadra Lacayo, EPS chief of staff and vice minister of defense; Tinoco; Major Ricardo Wheelock, chief of military intelligence; and two advisers.

H. Ortega Fears U.S. 'Boycott' of Truce

PA260359 Managua Domestic Service in Spanish 0310 GMT 26 Mar 88

[Text] Today Defense Minister General Humberto Ortega said that the United States will attempt to boycott the 60-day truce agreed upon by the Nicaraguan Government and the counterrevolution.

The defense minister said the United States will attempt to use not only the contras but also the most reactionary Nicaraguan sectors to cause the failure of the preliminary steps taken to reach a permanent cease-fire. Gen Ortega spoke with journalists after giving a report on the country's military situation to representatives of 14 political parties and groups taking part in the national dialogue.

National Assembly Issues General Amnesty Law

PA272330 Managua Domestic Service in Spanish 2015 GMT 27 Mar 88

[General Amnesty Law issued by the National Assembly—read by unidentified speaker at rally held at Zona Franca Prision in Managua—live]

[Text] The National Amnesty, using its powers, has issued the following general amnesty law:

Article 1. General amnesty is granted to those tried and sentenced for violating the law on maintenance of public order and security and for members of the army of the former regime for crimes committed before 19 July 1979.

Article 2. In fulfillment of the cases of those tried and sentenced for violating the law on maintenance of public order and security, the following procedure is established:

a. On 27 March, Palm Sunday, the first 100 prisoners will be released.

b. After it is confirmed by the Verification Commission established in Point 9 of the Sapoa agreement that the Resistance forces have entered the areas mutually agreed upon, 50 percent of the prisoners will be released.

c. The remaining 50 percent will be released at a date subsequent to the date of the signing of the definitive cease-fire to be determined by both parties in subsequent meetings.

Article 3. The prisoners of the army of the former regime will be released as of the signing of the definitive cease-fire, subject to the report by the OAS Inter-American Commission on Human Rights, in conformity with its rules and regulations.

Article 4. The OAS secretary general will be the guarantor and trustee of compliance with the amnesty.

Article 5. It is guaranteed that all Nicaraguans who for political or other reasons have left the country may return to Nicaragua and join the social and economic processes of the country and enjoy the rights and guarantees established in the laws of the Republic.

Article 6. The Nicaraguans mentioned in the previous article will not be tried, punished, or persecuted for political or military activities in which they may have engaged.

Article 7. The amnesty law for prisoners for violating the law on maintenance of public order and security, Law No 33 published in Gazette No 267 of 14 December 1987, is repealed.

Article 8. The present law will become effective as of the date of its publication by any communications media, notwithstanding its subsequent publication in the gazette, DIARIO OFICIAL.

Herewith the following witnesses: U.S. Comrade Brian Willson; Jaime Lasso, for the OAS; and representatives of the international community of Costa Rica, Venezuela, Uruguay, Peru, Mexico, Colombia, and Brazil.

Borge Speech at Prisoner Release Ceremony

PA272320 Managua Domestic Service in Spanish 2025 GMT 27 Mar 88

[Speech by Interior Minister Tomas Borge Martinez during the release of 100 prisoners at Managua's Zona Franca Prison—live]

[Text] When the FSLN decided to adopt the proclamation of the Juan Jose Quezada command, which carried out the action of 27 December 1974, we stated that the Sandinists are implacable in combat and generous in victory. What was stipulated in the Sapoa agreements, which include the release of 100 counterrevolutionaries, is the ratification of the Sandinist proclamation [words indistinct] and at the same time it is an unquestionable response to our commitments. We have been, are, and will continue to be the first to comply with those agreements.

This event is being held at the same time as our forces have achieved resounding military victories; this event is taking place at the same time as the revolution has achieved a resounding success in the international arena; this event is being held at the same time as the correlation of forces undoubtedly favors the revolution. That is why this is the result of victory and not an act of weakness, as the spokesmen of provocation suggest.

On the other hand, we are the ones who have taken the first step. We are the first in peace. We are the first ones to honor our word. Now it is not only a matter of being the first, but of not being the only ones.

When the people massively gathered at Revolution Plaza on the day of the militias, I asked their leadership what the main task of the [words indistinct] was. Our main task, we all agreed, was to end the war, to achieve peace—no matter how it would be accomplished. Since then, we have sought new formulas [words indistinct]. We have held long discussions. We have made difficult,

necessary, and fair decisions. We must point out that there has never been any negotiation [words indistinct]. Naturally, it is important to recall that the [words indistinct]. It is not possible to negotiate with demands. Unacceptable demands are prefabricated obstacles. They are deliberate actions to prevent peace from being achieved.

You will all be witnesses that we will not make unacceptable demands or place obstacles in the way of the development of the negotiations.

This is the only way to achieve peace; peace forever; a dignified, just, frank, and permanent peace. In the end, peace is not negotiated, it is (?built). I mean that more than just words [words indistinct] of concepts and the push and pull of demands, the real willingness of man is worth more, a lot more.

We must take action to ensure that no one will harbor any doubts; that the world will see the details of each action. We must ensure that each action is the reflection of this willingness.

For that reason, I decided against delegating the turning over of these prisoners to another person. Some people even asked me not to show up at this ceremony. It is difficult to explain this decision to the people. However, I decided to come here out of honesty, because we must provide an explanation, because we need not fear providing explanations when explanations are just. Furthermore, this explanation comes from someone who was a victim of jail, torture, and grief in the same way, of course, as many Sandinist brothers were, including revolution leaders. I am sure there are Sandinist brothers wounded by the grief of having lost loved ones. I would say that society at large is marked by scars and is drying tears of blood. For many, this is a dramatic and painful decision.

In fact, although we are optimistic, we in no way rule out that those who oppose peace will place more obstacles. This implies that these 100 prisoners are being released by an apparently gratuitious concession. We will assume that this is so; it does not matter. This confession does not hurt us because, like it or not, this decision benefits human beings.

The sole possibility that this demonstration of goodwill could mean the beginning of the end of war—I repeat: the sole possibility that this could mean the beginning of the end of war—makes this action the most concrete expression of our peace inclination and gives it a historic and important value.

If the negotiations are interrupted—contrary to our desire, but we cannot rule it out—we will have once again shown we are (?honest) and that we honor our word. I would add: If the freedom of 100 prisoners means saving a drop of blood of a sole combatant of the Nicaraguan people, I say the freedom of 100 or 1,000 prisoners is well received. I am sure our people [words indistinct], who want peace, will understand national decisions.

This set of actions could be in the mind of our brothers of the National Directorate at the decisive moment of drafting a program for a possible dignified peace for all. I have no doubt that our people trust our decisions, even the most difficult to understand. We take each step with our people in mind, because each step we take is rooted in our strength, the strength of the people.

The stronger we are, the more audacious, the more [words indistinct] we must be and we should have been. In the long run, the Nicaraguan people will judge each action carried out by the revolution. This shows that the people are both the authors and judges of this historic experience in each of its phases.

I reiterate that in each situation, we will act as the circumstances warrant. I hope you will understand that this undeniable demonstration for peace is a positive reply to those who have committed themselves by signing an initial agreement. We make our own decisions; we consult no one. No one exerts pressure on us; no one forces us to do anything. Actions taken under foreign pressure (?belong to the past). The only factors present in making decisions are our people, our homeland's future, our national sovereignty, and the historic and essential meaning of the Sandinist people's revolution.

We expect that at least the contras—their leaders—will show the basic initiative of releasing the numerous people they have kidnapped. They should do so if they have any humanitarian feelings and want to reciprocate in a minimum way to the offer we have fulfilled today without any preconditions. We have fulfilled our promise today, on Palm Sunday, a memorable day for Christianity. It is also a memorable day because generosity will always be a memorable gesture.

I have no doubt that we are well-informed—even more than some people think—regarding this matter. We know there are pressures from the U.S. Government, and that there are internal contradictions within the contra leadership. Some warmongering sectors resolutely plot to hamper and, if possible, prevent peace—even seeking the complicity of some sectors inside the country. However, those individuals come from or [words indistinct] from a decadent administration that unscrupulously uses blackmail and even makes promises that are becoming more difficult to fulfill.

However, the Reagan administration's weakness, the failure of Reagan's policy, the people's military, political, and diplomatic victories will create the favorable conditions for peace. Peace is a difficult task, and our people seem to be carrying the load of the quest for peace on their backs, together with the Pyreneans [not further identified]. I am referring to those who struggle alongside

with the Nicaraguans for peace in Central America and Nicaragua. We even have with us one of those Pyreneans who has made a great sacrifice: Brian Willson. We are sure that just as the Nicaraguan people will understand this decision we have made today, Brian Willson also understands it and approves of it. I am sure, Brian, you desire that these men whom have been given safe-conducts for their freedom join the struggle for peace and not the war supporters. Oh, Brian, while they have recovered their freedom today, you will never recover your amputated legs. However, like us, you have surely understood and approved of this necessary action for achieving peace. It was harder for you to sit on the rails defying a train loaded with weapons than for us to release these men. In any event, the people and history will judge us. [applause]

Reconciliation Group Report on Compliance Cited
PA251540 Managua Domestic Service in Spanish 1200 GMT 25 Mar 88

[National Reconciliation Commission's "Evidence" of Nicaragua's compliance with the Esquipulas II peace plan, issued in Managua on 24 March]

[Text] Evidence [constancia] of the National Reconciliation Commission [CNR] on Nicaragua's compliance with the Esquipulas II peace plan signed in Guatemala. The CNR, which was created through an executive decree on 1 September 1987—in keeping with Point C, Numeral 1 of the National Reconciliation (?and) the Procedure To Establish a Firm and Lasting Peace in Central America, the document signed by the five Central American presidents on 7 August 1987 in Guatemala City—proceeds to put on record that the Nicaraguan Government has taken the following measures since the last report was issued on 4 November 1987:

1. End of the national state of emergency through Decree 291, dated 19 January 1988, which fully reestablished guarantees and rights specified in the Nicaraguan Constitution. Nevertheless, reports of violations of these rights and guarantees have been presented before the CNR by political, guild, and labor organizations, but they have not yet been clarified by the government delegation before this commission.

2. The Interior Ministry's Media Directorate has authorized the broadcast of the following radio newscasts: "Informative Leads" [Avance Informativo] on El Fabuloso Siete, "News and Commentaries" on Radio Catolica, "Current News" and "The Nicaraguan" on Radio Mundial, and (?four) newscast and mininewscasts every hour on Radio Corporacion. It has also authorized the following publications: the magazines DIALOGO and ENFOQUE, and the bulletins BAG OF NEWS and ENTERTAINMENT NEWS. Of the media previously authorized to operate, the newspaper LA PRENSA and Radio Catolica have remained open without interruptions. The CNR has confirmed that there is a polarization among the country's media. Therefore, it urged all media to promote respect of people's dignity and honor, moderate the language used, and be more objective in news reporting.

3. Since the Esquipulas II agreements took effect on 4 November 1987 to the present, the Interior Ministry has authorized 65 outdoor public activities— marches, demonstrations, etc—at the request of opposition parties and political organizations in various places in the country. There has been violence at some of these demonstrations, which forced the CNR to call on all political parties to refrain from using violence in their public demonstrations, gatherings, or meetings.

4. End of the operation of Anti-Somozist People's Tribunals, TPA, through Decree 296 of 19 January 1988, and transfer [remision] of all prisoners being tried to the jurisdiction of common tribunals under the authority of the Supreme Court of Justice.

5. Process of achieving a cease-fire through the following phases:

a. The progressive and unilateral cease-fire decreed by the Nicaraguan Government was maintained from 7 October 1987 until 7 November 1987. Originally, this applied in three delimited areas of the national territory; subsequently, it became applicable in four areas.

b. On 5 November 1987, the president of the Republic announced his willingness to indirectly reach a cease-fire with the Nicaraguan Resistance through a mediator. The Nicaraguan Government asked His Eminence Cardinal Miguel Obando y Bravo to assume that role. Once the president of the Republic handed to His Eminence a proposal on the procedure to be followed to achieve a cease-fire, disarmament of rebel forces, amnesty, and the return of such forces to civilian life, His Eminence called for a first round of talks on 4 December 1987, a second round on 21-22 December 1987, a third round on 28-29 January 1988, and a fourth round on 18-19 February 1988. These talks were held in the Dominican Republic, Costa Rica, and Guatemala, respectively [as heard].

c. On 2 March 1988, the president of the Republic told His Eminence Cardinal Obando y Bravo about his decision to establish direct talks without a mediator, involving high-level delegations, in Sapoa, Nicaraguan territory. Army General Humberto Ortega, commander of the revolution and defense minister, headed the Nicaraguan Government's delegation. These direct talks took place in Sapoa on 21-23 March. His Eminence Cardinal Miguel Obando y Bravo and Mr Joao Clemente Baena Soares, OAS secretary general, participated as witnesses. The agreements signed by the Nicaraguan Government and the Nicaraguan Resistance are attached to this document [constancia].

6. Meanwhile, and always in relation to the cease-fire issue, the Nicaraguan Government has made progress in the negotiation process with the Yatama organization headed by Mr Brooklyn Rivera to consolidate peace on the Atlantic coast. With this purpose in mind, they have held several rounds of talks in Managua and in the Atlantic autonomous regions.

7. On 5 November 1987, the Nicaraguan Government granted a partial pardon that has covered and benefited 985 political prisoners. The Sapoa agreements specify that the government will decree a gradual amnesty for those who have been prosecuted and condemned for violating the law to maintain order and public security. Members of the previous regime's Army who committed crimes before 19 July 1979 will be freed upon the signing of a definitive cease-fire with a prior judgment of the Inter-American Human Rights Commission of the OAS.

8. On 13 January 1988, the Nicaraguan National Assembly approved a treaty to establish the Central American parliament and other political organizations that was signed on 15 October 1987 by the president of the Republic. On 16 January 1988, the president of the Republic confirmed elections for the Central American parliament within the deadlines specified by the treaty and his willingness to carry out municipal elections.

9. The national dialogue of political parties, which was called by the president of the Republic on 13 September 1987, was initiated on 5 October 1987 with the participation of 10 opposition parties. Participation was broadened to 15 parties on 27 October. Political groups without legal status were included. We have carried out a total of 13 sessions in which by-laws and an agenda were approved. The national dialogue ended on 15 December 1987. After two meetings between the president of the Republic and leaders of political parties, on 17 and 19 March, the national dialogue was resumed on 21 March 1988. The first 10 agreements between the political parties and the Nicaraguan Government were signed during this session.

10. On 12 September 1987, the Las Manos border post was opened for family gatherings among Nicaraguan citizens. On 3 October 1987, an agreement was reached with the Costa Rican Government to facilitate voluntary repatriation of Nicaraguan refugees in Costa Rica. On 8 October 1987, the work group on repatriation of Nicaraguan refugees met. That group was made up of Honduras and Nicaragua with the participation of the UNHCR [UN High Commissioner for Refugees]. On 15 October 1987, the (Leiros) border post was reopened; 4,185 Nicaraguans have been repatriated from Honduras and 188 from Costa Rica between 5 August 1987 and 10 March 1988, according to figures provided by the UNHCR.

11. Within the CNR, there have been reports on abuses in the implementation of the Law of the Patriotic Military Service. Such reports have been transferred to the government for the respective clarifications.

12. On 4 November 1987, the CNR, which was created by executive decree on 1 September 1987, presented the first report [constancia] on measures adopted by the Nicaraguan Government in compliance with Esquipulas agreements. On 4 December 1987, the commission participated in a meeting of the International Verification and Follow-Up Commission, CIVS, in New York. It was represented by its acting president, Dr Sergio Ramirez, and commission members Mauricio Diaz, (Dr Gustavo Barajon), and Eric Ramirez. On 5 January 1988, the CNR met in Managua with the CIVS. During that meeting, Cardinal Obando y Bravo presented an Episcopal Conference assessment of the Nicaraguan Government's compliance. Also, the political parties, the CEPAD [Evangelical Committee for Development Aid], and the government delegate represented in the commission presented their own reports. The CNR meetings were resumed on 3 March 1988.

[Signed] Cardinal Miguel Obando y Bravo, Comrade Rene Nunez Tellez, Mauricio Diaz, (Dr Gustavo Barajon), Dr Gonzalo Ramirez, Msgr Bosco Vivas, and Eric Ramirez P.

[Dated] Managua, 24 March 1988

Comparison of Sapoa Government-Contra Document

Managua BARRICADA in Spanish on 24 March on page 5 publishes the 1000-word "text" of the Nicaraguan Government-Nicaraguan Resistance joint document on the Sapoa talks. The BARRICADA version has been compared with the Managua Domestic Service version published in the 24 March Latin America DAILY REPORT, page 6, revealing the following variations:

Page 7, column two, paragraph two, last line reads in BARRICADA: ...OAS general secretary.

Interim provision: The two sides... (clearing words)

Page 7, column two, signature block reads in BARRICADA: Roberto Urroz Castillo (changing "Borroz" to "Urroz")

Page 7, column two, signature block reads in BARRICADA: Osorno Coleman (Commander Blas) (changing "Dozorno" to "Osorno")

COSEP: Sapoa Agreements 'Most Important Step'
PA251415 Managua Radio Corporacion in Spanish 0400 GMT 25 Mar 88

[Communique issued by the Higher Council of Private Enterprise (COSEP) in Managua on 24 March; read by COSEP President Enrique Bolanos—recorded]

[Text] Concerning the agreement signed in Sapoa between the Nicaraguan Government and the Nicaraguan Resistance [RN], COSEP states to the citizenry:

1. The cease-fire agreement represents the most important step, because it implies saving, even if only during the agreed truce, the lives of young people on both sides.

2. The fact that the RN is publicly recognized by the Nicaraguan Government and international organizations as the legitimate belligerent political force represents a necessary step to carrying out negotiations for turning the provisional cease-fire into a real and permanent cease-fire.

3. The mutual agreement between the Nicaraguan Government and the RN to participate in an internal political dialogue represents a wise decision that offers the opportunity to introduce the necessary political, social, and economic changes for eliminating the reasons for a civil war, which was unleashed for political reasons.

4. We hope the Sandinists' signature on the new agreement in Sapoa, within the framework of the Arias peace plan, is not simply another signature pledging fulfillment of the same commitments about democratization, freedom of the press, and amnesty. We hope the agreements will be fully implemented in an institutionalized and durable way, because the OAS is called upon to help for the second time; and we hope it will indeed guarantee the agreements' full implementation this time.

5. Nevertheless, we believe the Sapoa agreements represent a hope and, if they truly express the signatory parties' goodwill and sincerity, might achieve peace in Nicaragua. True peace represents a peaceful and free coexistence among Nicaraguans.

6. We congratulate the Nicaraguan Government and RN members, all of whom are Nicaraguans, for acting with courage and pragmatism for the Nicaraguan people's benefit.

7. We pray to God that the promise of peace blessed in Sapoa by His Eminence Cardinal Miguel Obando y Bravo becomes a reality. Thus, thousands of political prisoners will soon be able to join their dear ones.

Managua, 24 March 1988

FSLN Announces Reorganization, Appointments

PA261505 Managua Domestic Service in Spanish 1210 GMT 26 Mar 88

[Communique issued by the FSLN National Directorate Secretariat in Managua on 25 March]

[Text] The FSLN National Directorate Secretariat reports to its militants and the Nicaraguan people that the National Directorate—after analyzing the current situation, adjustments, and consolidation taking place in various spheres of our national life—together with the Sandinist Assembly, has reached the following agreements:

1. To fuse the departments of political organization and education into one FSLN department called the Organization Department;

2. To dissolve the Sandinist Studies Institute and hand over the historical heritage of the FSLN to an institution designated by the government to take care of our national historical heritage;

3. To appoint Sandinist Assembly member Comrade Luis Enrique Figueroa as head of the FSLN Organization Department. Sandinist Assembly member Comrade Vanessa Castro C. has been appointed first vice head of the FSLN Organization Department;

4. To release Sandinist Assembly member Comrade Nadine Lacayo from her post in the former FSLN organization department and transfer her as a member to Regional Committee 3; the same applies to Comrade Francisco Sanchez, who was vice minister of the Domestic Trade Ministry;

5. To release Sandinist Assembly member Comrade Carlos Fernando Chamorro from his post as head of the FSLN's Agitation and Propaganda Department. He will be director of BARRICADA, official organ of the FSLN;

6. To appoint Sandinist Assembly member Comrade Dionisio Marenco as head of the FSLN's Agitation and Propaganda Department;

7. To free Sandinist Assembly member Commander Leticia Herrera from her responsibilities in the Sandinist Defense Committees [CDS] to allow her to work full-time at the National Assembly;

8. To free Sandinist Assembly member Commander Omar Cabezas from his responsibilities in Regional Committee 3 and to nominate him before the CDS movement as candidate for CDS national coordinator. Sandinist Assembly member Comrade Flor de Maria Monterrey, who has occupied the post of director of the Sandinist Studies Institute, will also be nominated before the CDS movement to assume responsibilities within the CDS National Executive Committee.

[Signed] Secretariat of the FSLN National Directorate

Managua, 25 March 1988

For a dignified peace, free fatherland or death!

LA PRENSA Out of Paper; Cites 'Discrimination'

PA271856 Managua LA PRENSA in Spanish 24 Mar 88 pp 1, 8

[Text] This newspaper will not be able to circulate on 28 March because of the paper shortage, despite great efforts by the LA PRENSA management with the Industry Ministry upon forseeing the printing paper scarcity.

This newspaper has run out of newsprint, despite great efforts to economize, such as eliminating the literary section and the Sunday edition, LA PRENSA General Manager Luis Gonzalez said.

Gonzalez said there is marked discrimination against LA PRENSA in assigning printing paper quotas, and other newspapers are favored, as those newspapers can print up to 16 pages, literary sections, and in addition do outside work.

Gonzalez added that the LA PRENSA returns are below 5 percent, while for the other newspapers the percentage is 20, proving they print more because they have sufficient printing paper.

Due to this, LA PRENSA will print its last issue on 26 March and will await the arrival of a Soviet ship that is in Panama or about to arrive in Nicaragua.

Gonzalez said that after taking charge as general manager, the ministry advised the paper would arrive in February, then mid-March.

However, the fact is that the printing paper did not arrive, and LA PRENSA is faced with a lack of its main raw material, in addtion to film and chemicals. Up to now the Central Bank has not replied to a request for $15,000 that was made the month our paper reopened, production engineer Francisco Rosales said.

Rosales said that the 700 tons of paper LA PRENSA had since October has run out, and according to the latest reports the Soviet ship that arrived yesterday only brought toilet paper and fine cardboard.

Panama

Noriega: Departure Depends on Government, FDP

PA252200 Hamburg DPA in Spanish 2100 GMT 25 Mar 88

[Text] Panama City, 25 March (DPA)—Today General Manuel Antonio Noriega said that his departure from Panama would depend on President Manuel Solis Palma and the Panama Defense Forces [FDP] General Staff.

Gen Noriega also rejected demands for his departure from Panama made by the Reagan administration.

Answering a reporter's question, Noriega said that his departure would have to be "jointly requested" by President Solis Palma and the Army's General Staff.

When asked about Washington's demands, Gen Noriega said "my president's name is Solis Palma and my geographical space is called Panama. I do not receive orders from aliens [extraterrestres]."

Noriega also denied having $2 billion, as claimed by the United States. "If this were true, I would have paid off Panama's foreign debt."

Raps U.S. 'Aggression'

PA260142 Panama City Circuito RPC Television in Spanish 2318 GMT 25 Mar 88

[Interview with General Manuel Antonio Noriega, Panama Defense Forces (FDP) commander, by unidentified local and foreign reporters at the FDP Headquarters in Panama City at the conclusion of a ceremony to present promotion certificates to recently promoted officers on 25 March—recorded]

[Text] [Noriega] As you can see, the current situation is one of economic and psychological aggression against Panama. This is, in a few words, what we are getting right now from the United States.

[Question indistinct]

[Noriega] He is the only one interviewing me. Otherwise, we cannot do it.

[Reporter] [Words indistinct] Assistant Secretary of State Elliott Abrams, and I asked him about his meeting in Miami with Eric Delvalle. What do you think about that Miami meeting?

[Noriega] You mean before his return to Panama? Well, I believe the United States told Delvalle to act. The United States gave him a menu.

[Reporter] Are there circumstances under which you would leave Panama?

[Noriega] That is up to the president and the General Staff.

[Reporter] Regarding the economic situation, do you believe the circulation of currency is improving enough for the banks to reopen?

[Noriega] Experts believe it is necessary for the banks to open and to settle outstanding accounts among themselves so currency can circulate, which is what is missing right now.

[Reporter] What do you think about Senator D'Amato's statement that the United States is less powerful than Noriega?

[Noriega] Considering the importance of a U.S. senator, I have to view that as either a joke, a mockery, or an expression of the belief that we Latin Americans are mentally and intellectually inferior. That statement is a mockery of Latin America.

[Reporter] President Ronald Reagan has openly said you have to go. What is your answer?

[Noriega] My president is Solis Palma, and my country is Panama. I do not receive orders from outer space [extraterrestre]. Our Latin American neighbors, Venezuela and Mexico especially, must be well-informed. We have had a bitter experience with U.S. newsmen who belong to the disinformation club and with military experts in psychological warfare against Panama. Why should we waste our time granting interviews to people who create disinformation?

[Reporter] Is it true a truck loaded with U.S. soldiers was found in the heart of Panama City a few days ago?

[Noriega] It was a provocation. They were not in the city but on a road linking one U.S. fort with another. The truck did violate treaty regulations calling for an FDP escort.

[Reporter] Is it true U.S. journalists were taken to the Canal Zone for an in-depth briefing?

[Noriega] That is how Panama's intelligence service views it, and that is what happened.

[Reporter] Is it true that the U.S. indictment of you on drug-trafficking charges involves some former pilots of yours?

[Noriega] Our pilots are FDP pilots. I have no private plane. All the planes belong to the FDP. There is no private pilot. There is nothing of the sort.

[Reporter] According to U.S. sources, your personal fortune amounts to approximately $200 million. What do you think about that?

[Noriega] Bring it to me so I can pay Panama's debt.

On Arms, U.S. Measures

PA260448 Panama City Televisora Nacional in Spanish 0300 GMT 26 Mar 88

[Report on "exclusive" interview with General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, by Univision reporter Monica Seoane in Panama City on 26 March]

[Text] [Begin recording] [Seoane] The United States has threatened to apply new measures against Panama, but has declined to specify them. Do you have any idea what they could be?

[Noriega] Well, to be honest, all possible measures have already been applied. The only measures still to be applied would be to drop an atomic bomb on us, to cut our air supply, or to cover the sun so we would not have any light.

[Seoane] General, why have you been around for so long?

[Noriega] Me? It is the Panamanian people and their dignity that have made it possible. [end recording]

[Seoane] During the interview, Noriega also denied that any arms from Cuba had arrived in the country and remarked on an alleged leftist tendency.

[Begin recording] [Noriega] Our arms supply has remained the same. This charge is to serve as a justification for an arbitrary action. I do not think such a thing has been said out of fear. In addition, arms will be neither airlifted nor shipped. This is only another lie by the Americans to justify their actions and to confuse their people and society. Thus, there can be no ideological affinity with these people. They are used to beaches, the sea, the sun, and folklore. [end recording]

[Seoane] He also spoke about the presence of U.S. troops in Panama.

[Begin recording] [Noriega] This is another provocation against an unarmed people. What do they want to do, have another Vietnam here? They want to shed blood. This blood will be of Panamanians, but it will also be of Americans.

[Seoane] Many observers and reporters think this weekend could be decisive. Are you going to take any special measures?

[Noriega] Decisive for what?

[Seoane] Decisive for you.

[Noriega] Oh? The only measure they could take is to kill me.

[Seoane] General, the people are hungry. Markets and stores are closed. How long will this situation continue?

[Noriega] That is a good question. We must report that hunger in Panama is being increased by the United States because of a mistaken policy, which is confusing the U.S. President. [end recording]

On Arnulfo Arias' Return

PA270048 Paris AFP in Spanish 2352 GMT 26 Mar 88

[By Isabel Ovares]

[Excerpt] [Passage omitted] A reliable source told AFP that Noriega is seeking the return to Panama of former President Arnulfo Arias Madrid, the only leader recognized in Panama who has been ousted from the Presidency three times by the Panama Defense Forces [FDP].

Arias Madrid, who is currently in Miami, has declined to join in the Civic Crusade—an opposition group operating in Panama since July—and has said that he will only return to the country to assume the Presidency, which he says he was cheated of when he won the elections in 1985 [date as received].

Noriega is reportedly negotiating for the return of Arias, who is in his eighties, having guaranteed him the Presidency and the support of the FDP. Noriega has already reorganized the FDP, placing men loyal to him in key positions. [passage omitted]

On Asylum, U.S. Policy

PA271603 Panama City Domestic Service in Spanish 1234 GMT 27 Mar 88

[Text] General Manuel Antonio Noriega, Defense Forces [FDP] commander in chief, said he has no reason to ask for asylum because no one requests asylum simply for defending his country's sovereignty. In an interview with the Buenos Aires weekly EL PERIODISTA, Gen Noriega explained that the commitment of any honorable Panamanian is to achieve Panama's total independence and sovereignty in the year 2000, when the canal will be turned over to the Panamanians.

Commenting on the campaign unleashed by the United States against him, Noriega said the truth is the campaign is aimed at the canal treaties, taking Panama out of the Contadora Group, and forcing the country to abandon its nonalignment and independent policy of solidarity with other nations.

The actions are not against one man; rather, the actions are against what we call the base of an independent country, Noriega added. The Panamanian military man recalled that the destabilization was imposed from abroad by the U.S. policy. Nevertheless, despite the threats and dangers, military men cannot be isolated from people.

Gen Noriega also said Panamanian military men believe in a true democracy, with participation [of various sectors], with no extreme poverty or illiteracy, and with more social justice. According to some, this was our biggest sin, Noriega said. However, right now no one has any excuses for ignoring the fact that Panama's case is at issue.

Referring to the possibilities of a national dialogue to find a solution to the crisis, Gen Noriega noted that negotiation must be without conditions and must respect the national interest. Otherwise, it will be a threat rather than a negotiation.

In a clear rejection of the U.S. attempt to determine who the future FDP chiefs will be, Noriega also pointed out that when a commander withdraws, he is succeeded by whoever is required to do so under the military regulations.

Rent Moratorium, Flour Supply Seizure Ordered

PA260349 Panama City Televisora Nacional in Spanish 0307 GMT 26 Mar 88

[Text] The executive branch today decreed that until the state of emergency is lifted, there will be a moratorium on the payment of rent for living, professional, industrial, and business purposes subject to Law 93 of 4 October 1973 and its amendments. The measure was established in Decree No 2 of 25 March 1988 and was signed by President Manuel Solis Palma and Housing Minister Ricardo Bermudez.

In a similar move, the seizure of all flour supplies at the Harinas de Panama and General Mills warehouses was ordered today. The seizure of the flour supplies was ordered through Decree No 17 signed by President Manuel Solis Palma and Commerce Minister Mario Rognoni.

This measure was adopted in view of the fact that the aforementioned enterprises, without the authorization of the Ministry of Commerce and in violation of Law No 3, have suspended their production activities and the normal supply of their products to those enterprises involved in the production of bread and other similar activities.

Further Measures Announced

PA261649 Panama City CRITICA in Spanish 26 Mar 88 pp 11, 12

[Text] Decree No 16 of 25 March 1988, through which [the government] adopts public order measures concerning commercial and public service activities, establishes that private enterprises that sell food and medicine; provide public transportation for people or parcels; sell fuel; and engage in public service activities, as specified by the law, shall provide their products and services to the public without interruption and shall adhere to the operating hours established before this decree went into effect. In any event, the operating hours in each case shall not be less than those established in the work contracts, labor collective agreements, or internal work statutes.

The decree, which has been signed by President of the Republic Manuel Solis Palma and Commerce and Industry Minister Mario Rognoni, adds that the Labor and Social Welfare Ministry will resolve the conflicts that may occur as a result of this measure and will investigate whether or not it is being followed. The Labor Ministry will report to the Commerce and Industry Ministry any violations to determine the corresponding legal sanctions.

Article 2 of the decree states that agreements or actions of any kind, commercial or industrial, that are designed to restrict or prevent free trade and competition or to prevent consumers from having access to staples or the services regarded by law as public service activities—

notwithstanding the annulment of said actions [sin perjuicio de la anulacion de dichos actos]—are regarded as violations of the current decree and of Decree No 90 of 1971, as determined by Article 290 of the political Constitution.

Article 3 establishes that violations to the current decree are regarded as violations of Cabinet Decree No 90 of 25 March 1971, and will be sanctioned according to Article 30 of Decree No 90 of 1971, with temporary suspension of licenses, and in cases of repeated violations, with annulment of commercial licenses, based on Article 27, Paragraph E of the aforementioned cabinet decree.

Article 4 states that the procedures to deal with conflicts stemming from the application of the provisions contained in this decree and in Cabinet Decree No 90 of 1971 will be as established in Chapter I of Title V of the Administrative Code, on corrective procedures.

Decree No 16 of 25 March 1988, through which [the government] adopts public order measures for commercial and public service activities, will go into effect at the time of its publication.

Balboa Port Raided

PA261803 Paris AFP in Spanish 1733 GMT 26 Mar 88

[Excerpts] Panama City, 26 Mar (AFP)—Approximately 100 policemen seized the Panamanian port of Balboa, located on the Pacific Ocean approximately 10 km west of this city, and arrested workers, witnesses reported today.

National Port Authority Director Diomedes Concepcion told AFP that the policemen arrived at the port after he was told that the workers, who have been on strike for 3 weeks, must go back to work.

The authorities argue that the Torrijos-Carter Treaties state that "Panama must maintain all the canal's services on an operational basis."

Concepcion said there was no violence or arrests, but four workers who refused to idenfity themselves said that a still undetermined number of workers were taken by the police in patrol cars—presumably to the Modelo Jail in this capital.

"The workers were told it was necessary to reestablish [canal] services to avoid playing the enemy's game," Concepcion emphasized. He also said the authorities have begun talks with the workers at the port of Cristobal, on the Atlantic coast near Colon, to reestablish services for ships that transit the Panama Canal.

Even though Concepcion said water and gasoline services would be provided, effective today, to ships at the port of Balboa, the port workers' absenteeism was noticeable and the police were trying to remove the railroad cars that had been used as roadblocks. [passage omitted]

Concepcion said the Panamanian Maritime Chamber has been notified that the ports can provide their normal services and that the workers would return to their jobs today. [passage omitted]

Flour Mills Seized

PA261835 Paris AFP in Spanish 1815 GMT 26 Mar 88

[Text] Defense Forces agents seized the country's two flour-producing enterprises—Harinas de Panama, Inc. and General Mills of Panama—at noon today and arrested 16 employees, according to people who witnessed the action.

The measure implements a decree signed last night by Manuel Solis Palma, minister in charge of the Presidency, who also ordered a moratorium on the payment of house and commercial business rents.

Water, Electricity Rationing

PA262240 Hamburg DPA in Spanish 2227 GMT 26 Mar 88

[Excerpts] Panama City, 26 Mar (DPA)—Opposition groups, which have been calling for General Manuel Antonio Noriega, commander of the Panama Defense Forces, to leave the country, this afternoon called for "all Panamanian people to march through the streets on Monday in a show of protest to demand that Noriega leave." [passage omitted]

Today it was announced that the race track in Panama City has been closed, a measure that directly affects 5,000 employees, and indirectly affects thousands of Panamanians who have been betting on the races as a form of entertainment for decades. [passage omitted]

The government took certain measures this afternoon. It decreed a moratorium on the payment of rent for houses and offices, the occupation of warehouses containing flour or other basic foodstuffs, and the rationing of water and electrical energy beginning next week. [passage omitted]

Staple Supplies Guaranteed

PA271956 Panama City LA REPUBLICA in Spanish 27 Mar 88 p 2-A

[Communique issued by Horacio Rodriguez, general director of the Agricultural and Livestock Marketing Institute, in Panama City on 26 March]

[Text] The national government, through the Agricultural and Livestock Marketing Institute [IMA], hereby assures to the Panamanian people that it will guarantee

the supply of the food products forming the basic family basket. On the basis of Law 70 of 15 December 1975, which created the institute, and Decree No 8 of 11 March 1988, which permits some products to be imported, enterprises will be permitted to import and process wheat flour, of the kind used to make bread, in 100-lb bags, under the consignment system and subject to IMA's approval.

The interested parties can file their applications with IMA as of today.

Horacio Rodriguez, General Director

26 March 1988

Reportage on Situation in Banking Sector

Government Outlines Actions

PA261752 Panama City Domestic Service in Spanish 1645 GMT 26 Mar 88

[Communique issued by the Pananamian Government; date, place not given]

[Text] In view of all kinds of rumors regarding the closing of the national banking center, the government wishes to announce the following to the public:

1. The closing of the general license banks in Panama on 3 March 1988 was ordered to safeguard the solvency of the banks and to protect the funds of national and foreign depositors after clear evidence of massive withdrawals as a result of the political situation at the time and at the request of the private banks, which are members of the National Banking Commission.

2. The government has been especially concerned about renewing normal banking operations. Political action from abroad, such as the freezing of the National Bank of Panama's funds in the United States and the economic pressures of that country on Panamanian resources, are obstacles to state banks' operations; therefore, private banks were asked to cooperate in the search for solutions.

3. Following numerous meetings with private banking sectors, the National Banking Commission drafted a proposal imposing temporary limitations on the system, which could mean the reopening of all banks if approved. The agreement approving all these limitations was reached with private banks in the National Banking Commission in meetings held on 22 and 23 March.

4. The government's desire to initiate the normal operation of all banks in order to stabilize our economy has been impaired by the interest of some private banks, which have prevented the reopening of the system.

5. The technical problems involved in reopening the system, as a result of the illegal U.S. intervention on the accounts and funds of the National Bank of Panama in that country—funds normally used for the compensation of accounts—can be overcome with the proposal discussed with the private banks. However, all efforts have been futile in light of the intransigence of certain banks that prefer to keep the system closed, even at the expense of the national economy and the country's industrial and trade development.

6. The national government regrets that this economic sector, which is critical to the country's development and has historically been given all sorts of facilities and privileges in an effort to preserve and strengthen its development, today assumes attitudes that, instead of contributing to resolving current problems, deepen the crisis and endanger not only the integrity of the banking system but also the future of our nation's economy.

7. The national government reiterates to the national and international community its desire to open as soon as possible the national banking center, for which it hopes the National Banking Association and its representatives in the Banking Commission will approve as soon as possible the restrictions discussed and approved by them. If this step is not taken, the national government will be forced, in view of the circumstances, to use all the legal resources available to impose a prompt opening of the Panamanian banking system.

U.S. Actions Criticized

PA261822 Panama City Domestic Service in Spanish 1650 GMT 26 Mar 88

[Text] The United States continues to block Panamanian financial transactions. An ordinary banking operation is used to prolong the economic aggression against the Republic of Panama by the U.S. Government, which is maintaining its intention to economically and financially paralyze the country, assisted by elements that oppose President Manuel Solis Palma's regime.

The National Bank of Panama proposed to the banks of the Panamanian banking system that they agree to use a formula to cash checks through a Latin American bank based in Panama, which has its account in the Chase Manhattan Bank of New York. This would generate the cash required to pay the Social Security retirees and pensioned workers, to cover the government workers' payrolls, and to reactivate other local banking operations.

The funds thus generated, according to the source, total more than $20 million. These are derived mostly from payments on income tax, light, water, and other sources of income of the Panamanian state. The pressure exerted by the U.S. State Department, directly or indirectly, to hinder such transactions or any type of transaction with Panamanian banks has been of such magnitude that the bankers affected have come to show signs of unrest and

uneasiness, because they see the interests of their institutions deteriorating, without reaching agreements to overcome the crisis affecting them.

It would seem as if the U.S. Government intends to end, once and for all, the Panamanian banking system. The financial sector of Manuel Solis Palma's government continues to make efforts that will permit Panama to overcome the current financial crisis plaguing it, in view of the paralysis caused by the cash freeze imposed on Panama by the U.S. Government.

Reopening Considered

PA270315 Panama City Televisora Nacional in Spanish 0109 GMT 27 Mar 88

[Statement by Mario de Diego, executive secretary of the National Banking Commission; date, place not given—live or recorded]

[Excerpt] As the people know, on 3 March 1988 the National Banking Commission was obliged to make the decision to close the banks and to stop banking operations because of an unusual demand for withdrawals at many banks, especially in cash, which exceeded the normal capacity of the system's banks. The decision was made for the sole purpose of protecting the health and solvency of each of the system's banks and to protect the depositors' funds. The decision was also based on the request of a group of banks to the commission.

Since the decision was made, the National Banking Commission, which includes representatives of private banks and government officials, has been concerned with finding ways to resume banking operations as soon as possible. We are all aware that keeping the banks closed only worsens the problems encumbering the country. [passage omitted]

We have been holding meetings at every level: the members of the Banking Commission, members of individual banks, and representatives of the Panamanian Banking Association have been meeting in hopes of finding ways, despite restrictions that we know we must impose, to reopen and resume banking operations as soon as possible.

On 16 March 1988, the full National Banking Commission discussed a draft of regulations and restrictions that must be implemented upon the eventual reopening of the banks. This draft was the result of extensive consultations that have been held with all affected sectors, banks as well as businesses.

Having reached an agreement in principle at this meeting with regard to the regulations and restrictions, the document was submitted to the Panama Banking Association for its consideration and recommendations. This association, which consists of practically all the banks of the system, met on 18 and 21 March 1988 to discuss the proposal. The association then sent its recommendations and observations to the commission. On the basis of the document submitted by the Panama Banking Association, the National Banking Commission met on 22 and 23 March 1988 to discuss these recommendations. At the meeting, it reached an agreement in principle on the regulations, norms, and restrictions that should be imposed to reopen the banks.

Only one more meeting is required now to give final approval to these regulations and to agree on the date to reopen the banks. [passage omitted]

Government on Reopening

PA270413 Panama Televisora Nacional in Spanish 0119 GMT 27 Mar 88

[Statement by Ricaurte Vazquez, planning and economic policy minister; date, place not given—recorded]

[Excerpts] We have considered the reopening of the banking system of special importance. The Panamanian Government and businesses generally, in spite of having a large quantity of deposits in their favor—in the government's case this is due to the payments that have been made in taxes for March—have not cashed these payments because the National Bank and other banks are not operating. All these deposits in favor of the national treasury would be sufficient to pay salaries and other priority obligations the government has. [passage omitted]

The government and private bankers have agreed that when the banks are reopened, they will have to do so under a series of restrictions that will gradually be eliminated in order to resume normal operations when sufficient confidence exists to allow this to happen. Meanwhile, the pressure that exists on businesses and on the state is due to a lack of a mechanism of financial mediation [intermediacion], which would permit the issuance of checks through the exchange of current accounts, opening of letters of credit for imports, etc. The economy has been paralyzed because this mechanism of transfers is not operating. [passage omitted]

Therefore, we consider important and approve the agreement in principle reached by the Banking Commission with the four government representatives and three private sector representatives to establish a series of norms that will be made public when they are approved so that everyone feels they have access to their resources deposited in the banks. [passage omitted]

Bankers Reject Cash Request

PA271545 Panama City LA ESTRELLA DE PANAMA in Spanish 27 Mar 88 p A-3

[Communique issued by the Panama Banking Association in Panama City on 25 March]

[Text] The Panama Banking Association wishes to announce its position regarding the delicate situation that continues to prevent the normal operations of banks in Panama.

1. For several months, top officials of the country's public sector have been informing the local and international community about the fiscal difficulties the national government was in because the state's estimated revenues were less than the planned revenues. The executive branch drafted a restrictive budget that included measures to adjust public spending, measures that were not implemented.

2. The freezing of funds abroad in the amount of approximately $50 million, while undoubtedly negative for Panama's National Bank, is not, because of its nature and magnitude, the cause of the paralyzation of the local financial system.

The cause of this paralyzation, primarily, is the political crisis Panama is experiencing. This crisis resulted in a withdrawal of funds from the banking system which began several months ago. This situation, added to the restriction of the cash supply (dollars from the United States) and the inability of the Banking Clearinghouse to operate normally, recently forced banking authorities to order the temporary suspension of the operations of banks with a general license to safeguard the interests of depositors. This is a situation that has kept the operation of these banks suspended to this date.

3. In recent negotiations, the highest government authorities asked banks to begin banking operations that consist of supplying a substantial part of the banks' available money in cash to pay for transactions normally paid for by other means. We cannot take care of this request because we understand that:

a. We need this cash to tend to our clients' cash needs, even with limitations.

b. Such a request does not resolve the problem of the nation's fiscal and financial crisis, because the crisis has profound political roots whose definite solution is the only remedy to the country's problems.

In view of the foregoing, we warn the community about the following:

1. As those responsible for tending to the needs of our more than one million depositors, we do not agree to the national government's use of these funds to try to partially resolve a fiscal problem of the public sector through measures that would further endanger the stability of the banking system.

2. We trust that wisdom will prevail in the resolution of the country's problems and that this will allow us to resume, with our usual enthusiasm, responsibility, and dynamism, our task of serving the development of all sectors of the country's economic life.

Panama, 25 March 1988

Banks' Help Requested

PA271635 Panama City LA ESTRELLA DE PANAMA in Spanish 27 Mar 88 pp A-1, A-26

[Communique issued by the National Banking Commission in Panama City on 25 March]

[Text] The National Banking Commission

States that:

On 3 March 1988, the National Banking Commission decreed the suspension of the operations of banks established in Panama with a general license in view of an unusual demand for withdrawals, particularly of cash, which was under way in the banking system and surpassed the banks' normal capacity to meet such demand. The sole purpose of this decision was to safeguard the health and solvency of those banks and protect the funds of depositors, partly at the request of the private banks.

From that moment, it has been a constant concern of the National Banking Commission and the highest government authorities, through its representatives on the National Banking Commission, to seek a way to resume the banking operations that were temporarily suspended as soon as possible to avoid greater damage to the national economy. In this regard and to that end, we have held lengthy meetings almost every day to analyze each and every one of the circumstances that affect the normal operation of the banking system and to agree on the necessary conditions to reopen the banks, with the permanent participation of commission representatives from both the public and private sectors.

On 16 March, the National Banking Commission in full discussed a draft on the rules and restrictions that must be applied in the eventual/possible opening of the banks. After reaching an agreement in principle, we submitted this agreement to the consideration of the General Assembly of the Panama Banking Association, a group that is made up of all the various banks operating in the country. This association devoted its 18 and 21 March meetings to these deliberations.

The observations gathered by the Panama Banking Association were discussed in meetings of the National Banking Commission, the agency that regulates the banking system, on 22 and 23 March. In the 23 March meeting, the commission agreed to establish restrictions under which the banks would reopen and resume operations.

A final meeting to approve the final text of the National Banking Commission agreement and establish the date of the banks' reopening is still pending.

To partially cover the National Bank of Panama's need for cash, the commission proposed to the banks of the national banking system the possibility of covering in cash the payment of clearinghouse balances, a measure contemplated in the clearinghouse's existing regulation.

After a meeting between representatives of the national government and the private banks in which the banks proposed, with a spirit of cooperation, to supply the National Bank with cash but based on contributions distributed among the banks with a general license, they agreed to first discuss this matter with the Panama Banking Association's Board of Directors and then with the association's General Assembly.

Panama, 25 March 1988

28 March Reopening Ordered

PA280122 Hamburg DPA in Spanish 2211 GMT 27 Mar 88

[Excerpt] Panama City, 27 Mar (DPA)—The Panamanian opposition groups against General Manuel Noriega, commander in chief of the Panama Defense Forces, will march through the streets of Panama City tomorrow to demand that Noriega leave the country.

Meanwhile, the government announced drastic measures for the banks to open their doors tomorrow, after a 3-week closure. It was announced that any bank that does not open will lose its license to operate in Panama.

Also, government officials reported that the possibility that banks may be opened forcefully has not been dismissed. A total of 132 banks in Panama have not accepted the government's recent orders.

Today the government announced that it is asking the banks to open on a restricted basis so Panamanians can conduct banking operations, but not the withdrawal of money. [passage omitted]

55,000 Retirees Vow To 'Take Streets' 28 March

PA261603 Panama City LA ESTRELLA DE PANAMA in Spanish 26 Mar 88 p A-1

[Text] Some 55,000 retired and pensioned workers have threatened to stage a strike on Monday "and to block the streets of the country" if the national government does not pay them in cash.

In a meeting held yesterday in the Tony Vic building, the workers voiced their concern over the lack of information on how they will receive their pay, rejecting outright partial payments or bags of food.

"Let the president come to talk to us on the street," Manuel Escudero said, adding that "we will take the streets."

The retired and pensioned workers staged street protests some 3 weeks ago, blocking the main roads in anticipation of the government's delay in responding to the elderly citizens' demands.

The authorities postponed last Wednesday's payments until Monday, 28 March, but have not said whether they will cash the retirees' checks.

Mandatory Retirement Ordered

PA270428 Panama Domestic Service in Spanish 0220 GMT 27 Mar 88

[Resolution No 20 approved by the Panamanian Cabinet on 26 March in Panama City]

[Text] Whereas:

The General State Council, in a declaration issued on 7 October 1987, adopted a number of fiscal and administrative austerity measures, the implementation of which is the duty of the state.

Among said measures, it was noted that there is an unpostponable need for public servants to strictly safeguard the principles of administrative honesty and morality in carrying out their duties, a need that has been reiterated by the head of state.

At present, the Republic of Panama is in a state of undeclared war with the United States, which has placed public finances and the national economy in difficult straits, aggravating the situation of unemployment in the country.

The Constitution forbids government employees to earn two or more salaries paid by the state, except in cases stipulated by law, or to have two positions with simultaneous working hours, and states that employees must carry out their functions in person, devoting their full efforts to their duties, all of which are basic principles of administration outlined in Chapter 2, Title 11 of the Constitution of the Republic, which were also noted in the declaration of the general State Council meeting held on 7 October 1987.

The Office of the Attorney General has provided, in response to a request formulated by the Comptroller General of the Republic, the correct interpretation of Article 4 of Cabinet Decree No 17 of 1979, as rendered in a statement by the attorney general on 12 April 1985, as follows:

In my opinion, in conformity with Article 4 of Cabinet Decree No 17 of 1979, modified by Article 1 of Cabinet Decree No 42 of this year, any public servant who meets those conditions should relinquish the post that he holds.

That legal provision has the following precepts:

Except for the exceptions expressly listed in this cabinet decree, any officials or employees who have become eligible for retirement or pension by the Social Security Institute by reason of age or disability must by force accept such retirement or pension.

Public agencies must carry out their missions and functions in line with the policies adopted by the government in cabinet meetings. These policies are applied generally to decentralized organizations and state enterprises in conformity with Article 2 of Law 21 of 1984.

The cabinet resolves:

Article 1. People who are eligible for retirement or pension by reason of age or disability or who are already receiving retirement or pensions must leave their posts in the personnel structure of government agencies, leaving their positions vacant. The respective government agency will inform employees who fall into this category of the need for them to immediately accept their retirement or pension, or if already retired or pensioned, for them to leave their posts. The agency will immediately report this circumstance to the Office of the Comptroller General.

Under existing legal provisions, the following, among others, are exempt from this measure: the president of the Republic and other publicly elected officials, ministers of state, magistrates of the Electoral Tribunal, people the executive branch is obliged to employ or contract to fill posts related to relations with the United States, and administrative or supervisory physicians who are not practicing medicine, either as government employees or in private organizations or clinics, whom the executive branch is obliged to employ or contract to fill administrative or supervisory positions in the medical systems. Therefore, this resolution is not applicable to officials exempted under the law.

Article 2. Government agencies will dismiss and remove from their payrolls any government employees who are receiving two or more salaries from the state that are not authorized by law, who are receiving two or more salaries for services rendered in simultaneous working hours, or who are not fulfilling in person the duties inherent to their post.

Article 3. Payment to government employees who fall into any of the categories mentioned in the preceding articles will be considered illegal, and the Office of the Comptroller General will enter in the National Treasury the aforementioned payments within 5 days of being apprised of the situation. Within that time, the affected person will be allowed to demonstrate that he does not fall into any of the categories that require the retention and annullment of the improper payment by the state agency in question.

Article 4. This resolution will go into effect upon its promulgation.

To be announced and published.

Issued in Panama City on 26 March 1988.

Signed: Manuel Solis Palma, Minister in charge of the Presidency of the Republic

Rodolfo Chiari De Leon, Minister of Government and Justice

Jorge Abadia Arias, Minister of Foreign Relations

Hector Alexander, Minister of Finance and the Treasury

Jorge Arosemena, acting Minister of Education

Rogelio Dumanoir, Minister of Public Works

Hirisnel Sucre, Minister of Agricultural Development

Mario Rognoni, Minister of Commerce and Industry

Candelario Santana, Minister of Labor and Social Welfare

Francisco Sanchez Cardenas, Minister of Health

Ricardo Bermudez, Minister of Housing

Ricaurte Vasquez M., Minister of Planning and Economic Policy

Nander A. Pitty Velasquez, Minister of the Presidency

Payment System Announced

PA270207 Panama City Domestic Service in Spanish 0121 GMT 27 Mar 88

[Communique issued by the Social Security Institute in Panama City on 26 March]

[Text] The Social Security Institute announces to all its retirees and pensioneers that although the National Banking Center remains closed, payment will be made to Social Security retirees and pensioneers as follows:

1. Retirees and pensioners in Panama City, Chorrera, and Colon who receive pension and retirement checks of up to 150 balboas net biweekly will receive those checks on Monday, 28 March, at the usual times and places. Those who do not pick up their checks on Monday may do so on Tuesday, 29 March.

2. Retirees and pensioneers in other parts of the country who receive pension and retirement checks of up to 150 balboas net biweekly may pick up their checks on Wednesday, 30 March, at the usual places.

3. Other retirees and pensioneers throughout the country will receive their checks on Thursday, 31 March.

[Signed] Social Security Institute

Solis Palma Comments on Country's Situation

PA260012 Panama City Circuito RPC Radio in Spanish 2230 GMT 25 Mar 88

[Interview with the Manuel Solis Palma, minister in charge of the Presidency, by unidentified reporters; date, place not given—recorded]

[Text] [Solis] The problem of paying government workers depends basically on the reopening of the banks. I want to take this opportunity to clearly state that the government has enough resources to make these payments, because they depend on tax revenues, and in March we should receive—even in the worst case—nearly twice that which we have to use to pay salaries. However, since the banks are closed and the country's currency and economic system is paralyzed, the government has not received enough revenue to cover those payments. This problem depends on the banks reopening in order to be able to fully honor their commitments to all government workers and end this anguishing and troublesome situation.

[Reporter] Mr Minister, there has been talk of a national dialogue. What headway has been made?

[Solis] Some groups have made contact with us and are willing to talk; others have said that, for the time being, they will not take part in any dialogue. I would like to clearly state that according to our way of thinking, dialogue is not a matter of gathering all Panamanians together, because this would not work out. We think we should start with those groups that are willing to talk; to start working on the topics that will emerge from an exchange of ideas; and, as we go along, we can then meet with other groups and form a round of talks. Our idea of a dialogue is not just holding one meeting.

I want to say something else: Dialogue does not have to be—although we would like it to be—with all Panamanians. We are going to work and talk to the people who want to find a way out for our country. We are going to talk to those who want to talk, with those who are willing to do so, and there are many Panamanians who are willing to do so. This is an opening for a national understanding, which does not always get everyone to join in, because there are all sorts of people.

[Reporter] Could the church act as mediator?

[Solis] It is not a question of acting as mediator. The church can also take part in the dialogue as a very important member of the Panamanian community. We are not looking for mediators; we are looking for people who can discuss things with us, because this is not a problem of conflict.

[Reporter] Is there not a strike against the government?

[Solis] What many businesses have done is to shut their doors. They were not doing business for some time because currency and commercial transactions have been paralyzed. What they simply did was close their doors, which had been kept open before; but they had already stopped operating.

Abadia Says Relations With U.S. at 'Low Level'

PA260153 Panama City Circuito RPC Television in Spanish 2300 GMT 25 Mar 88

[Report on interview with Foreign Minister Jorge Abadia Arias by unidentified reporter; date, place not given]

[Text] [Announcer] Panamanian Foreign Minister Jorge Abadia Arias has referred to the state of our relations with the United States:

[Begin recording] [Abadia] I would say that they are at the same level. Unfortunately, it is a low level. We are doing what we can do to improve them. We expect them to do likewise.

[Reporter] Regarding the constant abuses committed against our sovereignty in the canal area, what measures can the Foreign Ministry take regarding a formal warning about these abuses?

[Abadia] We already took those measures. They appeared on LA ESTRELLA DE PANAMA's front page today.

[Reporter] Any additional measures?

[Abadia] We will consult with the executive branch to see what additional measures may be taken. However, the Foreign Ministry will not stop denouncing—and will do so in whatever way is deemed necessary—any violation of the treaties or any kind of intimidation. It is good for the international community to know that we will not fall for any provocations. We are showing the world that we are a small but civilized nation.

[Reporter] What do you have to say about a purge in the Foreign Service?

[Abadia] That is something that is normal with a change of government. The president has the power to reorganize the Foreign Service as he sees fit. He is using that power and is doing so carefully and responsibly. [end recording]

McGrath Suggests Dialogue at Different Levels

PA271740 Panama City Circuito RPC-Television in Spanish 2324 GMT 25 Mar 88

[Text] The Panamanian bishops officiated at a mass for peace in our country this morning. Hundreds of people went to the Metropolitan Cathedral this morning to participate in a mass for peace presided over by the bishops.

Although many expected the church to report on an alleged meeting between members of the national government and representatives of the church, Panama Archbishop Marcos Gregorio McGrath rejected these reports, describing them as false, to the disillusionment of those who had gathered there.

During the mass for peace, which lasted more than 1 hour, a group called the Popular Nationalist Front of San Felipe Corregimiento picketed the mass carrying a large sign.

Later, McGrath made some statements about the government's call for a dialogue.

[Begin recording] [McGrath] It is very difficult for me to talk on behalf of all the sectors. Those of us in the church have always promoted the dialogue between the government and the opposition. Evidently, the problem for sectors of the opposition is their relation with the current government. Certain groups do not recognize (?the minister in charge of the Presidency) as such. Therefore, this poses a very serious problem for the dialogue.

However, I think the dialogue can be held at other levels if that is the biggest obstacle. The dialogue could then be held with the Defense Forces and the various ministers [words indistinct] being prepared. However, I cannot speak for them because [words indistinct].

What I can say is that the church and the bishops are very interested that contacts begin among those who can make decisions on this situation. Obviously, this prolonged situation is causing much suffering.

[Reporter] What is the church's proposal for overcoming the crisis Panamanian people are experiencing and that is burdening all sectors?

[McGrath] We are not the ones to suggest specific political proposals. We do not participate in the political arena. But we feel that those responsible for the country's politics must sit down and make decisions soon. Otherwise, they would not only be prolonging the people's agony but the destruction of the economy for the future. [Passage indistinct] For this reason, we are promoting prayer and penitence [words indistinct] so that so much hatred and division will end and there can be the right climate to talk. [end recording]

Legislator Paredes Says U.S. Violates Rights

PA260029 Panama City Televisora Nacional in Spanish 0300 GMT 25 Mar 88

[Interview with Rigoberto Pareded, Democratic Revolutionary Party legislator, by unidentified reporter on 24 March; place not given—live or recorded]

[Text] [Reporter] Good evening. Today we are going to talk to Legislator Rigoberto Paredes, who last night proposed a resolution that was approved by the Legislative Assembly accusing the United States of violating basic human rights in Panama. Professor Paredes, what led you to present this resolution?

[Paredes] If individual human rights are so valuable—in other words, if people always say that individual human rights should not be violated—I believe collective human rights are even more valuable and even more important. The United States is waging economic terrorism against Panama as a way to force us to submit to its proposals. It seems to disregard the fact that, while doing so, it is punishing defenseless women and children with hunger and misery, as well as a population that really does not deserve to be treated in such an unjust and inhuman way by the most powerful nation in the world. It is waging these attacks on Panama to resolve a political problem, to resolve a problem of U.S. hegemony. I would say that the main and only U.S. objective is to maintain its absolute control over the canal and to keep its military bases here beyond the year 2000.

[Reporter] Some groups have expressed their solidarity with Panama against this U.S. violation of human rights. But these are mostly groups with leftist tendencies. Does this mean that Panama could take a turn toward this type of ideology?

[Paredes] First, I must tell you that it is false that only nations with a leftist tendency are expressing this. Nations and governments embracing many different ideologies are giving Panama their complete support. The SELA, which is made up of more than 26 countries, is about to hold a meeting, and it will surely give Panama its complete support. The fact that countries such as Cuba, Nicaragua, and Libya gave Panama their initial support does not mean that we are heading toward communism. That statement is a device constantly used in an effort to gain support within the U.S. Government, which has always waged an anticommunist struggle.

[Reporter] Legislator Paredes, with regard to the crisis in our country because of the closing of banks, are any efforts being made to arrange their reopening?

[Paredes] I am glad you asked me that question. Yesterday, in fact, the talks were in such an advanced state that, to my understanding, only one point of agreement was pending between the bankers and the Banking Commission. There is a great desire and interest in reopening the banks on the part of the European banks, a majority of the Panamanian banks, and other foreign banks. I understand that the problem concerning the restrictions the banks should impose upon their reopening has been resolved. The clearinghouse should have begun operations 2 or 3 days ago, and international banks have been authorized to operate and have been operating for several days [as heard]. A final agreement was expected yesterday, which means that if this is indeed true, the reopening of banks is only a matter of days.

[Reporter] The community is very worried about their bank and finance company debts. Is there a possibility that the Legislative Assembly will approve a law or bill to establish a debt moratorium?

[Paredes] Yes, and I am glad that you have also asked that question. People should know that the Assembly and the executive branch are preparing to legislate a moratorium law for the benefit of the people. Just one example is enough to illustrate the necessity of this. Time is running out for anyone who has debts with finance companies, and people cannot pay their debts due to a lack of resources. It would therefore be unfair for the finance companies to sanction them. The moratorium law should be proposed very soon by the executive branch, and, if not, legislators will propose it.

Republican Party Names Leaders, Rejects Dialogue
PA251911 Panama City LA ESTRELLA DE PANAMA in Spanish 25 Mar 88 pp A-1, B-3

[Communique issued by the Republican Party Political Committee; date, place not given]

[Text] The Republican Party announces to all citizens in general and especially to all political parties legally registered in the Republic of Panama that according to Chapter VIII, Article No 29 of the party's statutes, "The Political Committee shall be composed of up to eleven (11) members..." and that the following members have been appointed by the party's national directorate:

Eric A Delvalle—President

Jose Bernardo Cardenas—Vice President

Jorge D Porras—Secretary

Jose Dominador Bazan

Kaiser Bazan

Moises Cohen

Raul Delvalle

Augusto Garcia

Gabriel Jurado

"The Political Committee shall perform the following duties," among others:

1. To look after the party's political presence.

2. To outline the policy and the general strategy of the party and to ensure they are strictly carried out.

3. To acknowledge the recommendations of the Ethical and Honor Committee and of the special commissions and to lay down the guidelines that must be followed or the appropriate sanctions that must be taken.

Therefore, the Republican Party announces that the Political Committee is the only one authorized to decide whether it will participate in talks that may take place in a national dialogue to safeguard the sacred interests of the fatherland.

Kaiser Bazan—President in charge of the Political Committee

Jorge D Porras—Secretary of the Political Committee

Expanded Political Committee of the Republican Party

COMMUNIQUE:[all uppercase as published]

Rejects the invitation made by Manuel Solis Palma to a national dialogue.

Kaiser Bazan—President in charge of the Political Committee

Jorge D Porras—Secretary of the Political Committee

Panamenist Party Calls for Noriega 'Departure'
PA251811 Panama City LA ESTRELLA DE PANAMA in Spanish 25 Mar 88 pp A-1, B-3

["Note" from the Authentic Panamenist Party (APP) to the Labor Party (PALA); issued in Panama City on 23 March]

[Text] Panama, 23 March 1988

Dr Juan A. Medrano E., Ramon Sieiro Murgas, PALA president and secretary general

Dear Sirs:

APP President Dr Arnulfo Arias Madrid has asked us to thank you for your note CEN 4-88 dated 18 March.

The National Directorate has carefully considered the contents of your document "Reflections for a political solution of the national problems," and we have reached the following conclusions:

a. Your proposal shows you are interested in resolving national problems, and, as such, this is something that could be improved according to the circumstances.

b. We feel that the number of people who would participate in the "dialogue" is so large, the rules so rigid, and the agenda so wide that unfortunately the dialogue would not be effective in resolving the national crisis with the required speed.

c. In view of the current emergency, we must seriously and quickly discuss the the immediate departure of the current commander in chief of the Defense Forces and

his closest collaborators in the military hierarchy, and the establishment of a democratic government legally based on the people's will as expressed in the May 1984 elections.

Thank you for your consideration,

Sincerely yours,

Authentic Panamenist Party

Jorge P. Adames, First Vice President

Guillermo Endara, Under Secretary General

Report on Cubans by U.S. Envoy Criticized
PA261528 Panama City CRITICA in Spanish 26 Mar 88 p 1

[Text] The reports being propagated in U.S. media by John Maisto, deputy chief of the U.S. Embassy in Panama, to the effect that there are 300 Cubans in Rio Hato and 300 more in Chiriqui are an insult to the intelligence of the Panamanian people. This is yet another demonstration of the softening of the brain and political senility of Ronald Reagan's representatives in the U.S. Embassy.

And Panamanians wonder what gringos like Maisto seek with these ridiculous remarks?

[Photograph of Maisto alongside the report carries the caption: "...when will they declare him persona non grata?"]

U.S. Envoy Bodyguard Presence 'Aggression'
PA270215 Panama City Domestic Service in Spanish 0141 GMT 27 Mar 88

[Text] The presence in the residential neighborhood of La Cresta, in downtown Panama City, of several men armed with shotguns and other weapons we have not been able to identify has been confirmed. These men are surrounding a building in the area. Radio Nacional has been informed that U.S. Ambassador Arthur Davis is in a building in the neighborhood meeting with a group of local politicians, and his bodyguards have cordoned off the area to prevent anyone from approaching, interrupting traffic, and thus hindering the movement of people who live in the neighborhood.

Some national and foreign reporters have tried to reach the area, but their path has been closed in what this station considers another act of aggression, another action against Panama's sovereignty by a group of armed men under orders from Ambassador Davis. Radio Nacional reporters are in La Cresta to continue informing the community of this new attack on Panama's and the Panamanian people's sovereignty by Ambassador Davis.

Chiriqui Citizens Receive Weapons Training
PA272144 Panama City LA REPUBLICA DOMINICAL in Spanish 27 Mar 88 p 2-A

[Article by Arnoldo Candanedo]

[Text] Large groups of people in Chiriqui Province are spontaneously attending the call for the defense of the fatherland's supreme sovereignty and the dignity of all Panamanians. Youths, men, and women have come to the 5th Military Zone's 16 December Garrison to receive basic weapons training given by instructors from the Regional S-3 and the 3d "Red Devils" Infantry Battalion under Major Luis Del Cid and Captain Ivan Alexis Gaytan's direct supervision.

The high-ranking officers expressed their appreciation for the patriotic attitude of hundreds of Chiriqui residents who are aware of the need to defend the fatherland and peace, because this is the struggle of all Panamanians to bequeath current and future generations a free, independent, and sovereign country whose self-determination will be respected based on Panama's own unique characteristics.

"These men and women—who are born of common people, who emerged during the national liberation process, who belong to the popular, labor, peasant, and Indian sectors—have come here to courageously defend the fatherland's dignity and sovereignty, under the parameters of a sole territory and a single flag," labor leaders Idanela Morales, Jorge Miranda, Belgis Castro, and Felix Montenegro said.

These leaders added that the Defense Forces are not alone, because they are composed by the people in uniforms, born of humble mothers without pompous last names.

These men and women, regarded as the soldiers of dignity, deserve all our respect and recognition, because they stand ready to serve the fatherland by helping to organize the "Sovereignty Battalion," they concluded.

Governor Denies Strike; Reports Sabotage
PA252356 Panama City Domestic Service in Spanish 1730 GMT 25 Mar 88

[Interview with Samuel Binns, Bocas Del Toro Province governor, by correspondent Victor Obando; date, place not given—recorded; broadcast in progress]

[Text] [Binns] ...say that there are irregular events taking place in Bocas del Toro Province and that workers are on strike. This is a lie. Thanks to the goodwill and understanding of those responsible workers, especially those from the Chiriqui Land Co., who have continued working to keep this province stable and in peace... [changes thought] They understand they are the ones in charge of meeting their family needs. I call on Bocas del Toro workers to show their great sense of responsibility to their family and fatherland.

[Obando] Mr Governor, we were told there have been some sabotage attempts by people who want to create disturbances in the country, and especially in Bocas del Toro Province. What can you tell us about this? What measures are being taken?

[Binns] A very small group of workers, prodded on by politicians who are attempting to deceive the Bocas del Toro community, have been sabotaging Chiriqui Land Co. facilities in this province. These workers also derailed a railroad locomotive. This is a criminal action. We hope to uncover the perpetrators so they can be severely punished.

Health Ministry Asks Workers To Remain at Posts
PA260226 Panama City Domestic Service in Spanish 1200 GMT 25 Mar 88

[Communique issued by the Health Ministry in Panama City on 24 March]

[Text] We report to the people that the country's health centers, polyclinics, and hospitals continue to provide health services within the framework of the grave economic restrictions we are suffering. These restrictions are the result of unacceptable pressures that aim to make us give up our nationalist position.

We reiterate to all the country's health sector officials that they are duty-bound to remain at their work posts and treat all cases that require medical attention. In all the country's health facilities, we must creatively and patriotically find ways to provide services. We must provide these services at a level that will reduce personnel expenses to the utmost but without detriment to the attention to which our people have a right.

Our government commits itself to paying the salaries to which the health workers have a right. They are workers who are currently being affected by the unpatriotic conduct of a minority.

Let us use our best efforts and determination, and let us not permit the destruction of the Panamanian people's health system, which is the result of the work of many years.

Health, dignity, fatherland.

[Signed] Health Minister Dr Francisco Sanchez Cardenas

Group Calls for UN Forces To Guard Canal
PA251300 Panama City LA REPUBLICA in Spanish 24 Mar 88 p 2

[Passages in uppercase as published]

[Text] The Panamanian Anti-Imperialist Front [Frente Panameno Anti-Imperialista] has drawn up a proposal in keeping with the wishes expressed by His Excellency Manuel Solis Palma, president of the Republic. The president has suggested that all interested parties be called to hold a national dialogue to seek a real and effective way out of the crisis Panama is suffering because of the U.S. Government. The following is our proposal, which is addressed to the executive branch and to all political parties and organizations:

WHEREAS:

1. Safeguarding peace is of the utmost importance. It is essential to prevent death and fighting among Panamanians, and between Panamanians and U.S. people.

2. One wish and objective of the Panamanian people is the full compliance with the spirit and letter of the Torrijos-Carter Treaties.

3. One of the stipulations of the Torrijos-Carter Treaties is that the United States must in the year 1999 transfer to the Panamanian Government the control over the operations and security of the Panama Canal.

4. The Panama Canal belongs by law to the Panamanians, but in fact belongs to the entire world.

5. The United States has made evident to the entire world that it is unwilling to comply with the Torrijos-Carter Treaties and that it is seeking ways that will allow it to perpetuate its presence and its control over the Panama Canal, including the imposition of puppet governments that will enable it to renegotiate those treaties.

6. It is a sine qua non condition of the Civic Crusade and the United States that General Manuel Antonio Noriega withdraw from his post as chief of the Panama Defense Forces, so they (the Crusade and the United States) do not starve the Panamanian people to death.

7. Gen Manuel Antonio Noriega has shown strong civic, patriotic, and nationalist principles, and unselfishness in placing his post at the disposal of His Excellency Professor Manuel Solis Palma, the president of the Republic.

PROPOSES:

1. That the executive branch submit as soon as possible a proposal to the UN General Assembly to send UN military forces to assume the task of safeguarding the "physical integrity and safety" of the Panama Canal, because the neutrality agreement of the interoceanic waterway is universal in character and has been ratified by many countries of the world.

2. That the UN forces safeguard the security and physical integrity of the Panama Canal during the transition period from April 1988 to December 1999, at which time it will transfer the control and security of the canal to the Panamanian Government.

3. That as soon as the UN forces enter the Panama Canal, the U.S. Southern Command withdraw from Panamanian territory.

4. That the Canal Commission continue to administer Panama Canal operations.

5. That the United Nations guarantee the fulfillment of the Torrijos-Carter Treaties, in spirit and letter.

6. That all property and rights of the Panamanian Government and people be unfrozen in the United States.

7. The president s proposal to hold a national dialogue with the existing political parties, the parties being formed, professional associations, student and peasant organizations, mass organizations, and the Civic Crusade is a valid proposal. The resulting dialogue will have to be without conditions, and each of the parties involved will submit an agenda of points it feels should be included in the negotiation. The points finally agreed upon will have to be fulfilled within certain dates, culminating with the presidential elections.

8. The president will accept Gen Manuel Antonio Noriega's proposal to go into retirement with all the honors bestowed by the fatherland to a nationalist and defender of the Panamanian cause in the search for its total sovereignty, provided the previous articles have all been complied with.

Issued in Panama City on 23 March 1988. TOTAL SOVEREIGNTY; NOT A STEP BACKWARD

Signing directors: Jose Napoleon Ruiz, president, ID 8-190-448; Eneida Lawson, vice president, ID 8-487-794; Hector Zavala, secretary and legal adviser, ID 8-364-108; Orlando Ruiz, secretary of finances, ID 3-66-2765

Columnist on U.S. War of 'Terrorism'

PA280414 Panama City LA REPUBLICA in Spanish 27 Mar 88 p 6-a

[From the "Vox Populi" column by Luis Restrepo Rosas]

[Text] A fight means fighting—Victoriano Lorenzo.

The president of the United States has declared war on Panama. It is a brutal war. Its essence is terrorism. To execute it, the civilian and military leaders of the imperial nation have set in march a criminal and inhuman strategy in an effort to starve to death Panamanian popular sectors.

Never before, not even in the most difficult moments of the Panamanian popular struggle, has there been as much suffering as there is now because of the openly expressed intention to defeat through hunger the popular fighters, the tireless fighters for sovereignty, nationality, and independence. The strategy used against Salvador Allende and the Chilean people is being applied to Panama, but with more intensity, infinite brutality, and sadistic coolness.

They want to finish off an economically poor nation rich in dignity, a people who do not surrender, who respond to aggression with the only weapon they have: the voice of a giant. This voice is denouncing the threat of genocide the people are facing and is alerting other Latin American brothers that the prime advocate of economic terrorism—which is as deadly as chemical weapons and that will be applied to all the nations holding the banners of nationalism and liberation—is being seen in Panama.

Any observer of the terrorist steps Ronald Reagan has been taking will realize that a military invasion of Panamanian territory began with the arrival on the isthmus of more than 600 "military policemen," who are nothing more than uniformed terrorists trained in advanced sabotage tactics for the destruction, at a suitable moment, of the supplies of drinking water, electric energy, and telephone and electronic communications. They include experts on inciting riots that unleash violence and result in the destruction of public buildings and installations. The presence of Spanish-speakers among "the uniformed terrorists" represents an additional threat to the people's security. The hateful "pact of the condominiums," which permitted the placing there of people who pretend to be tenants but who are armed terrorists, has already been pointed out.

On 8 March, Foreign Minister Dr Jorge Abadia termed "a prelude of an invasion in Panama" the military maneuvers the U.S. Armed Forces were staging unilaterally in violation of the existing treaties between the two nations. On that same day, Major Daniel Delgado, executive director for Panama Treaty Affairs, joined the alarm of the Foreign Ministry by calling these maneuvers as the prelude of an invasion of Panama on President Reagan's orders.

On Thursday of this week, Battalion 295 of the Puerto Rico National Guard, composed of more than 1,000 men, arrived in Panama together with the 65th Infantry Regiment Medical Division, also from Puerto Rico.

President Ronald Reagan has conceived a demented policy in his dark mind to turn the problems of Nicaragua and Panama into a single one. Hence, the 3,000 Yankee soldiers who occupied Honduras a few days ago, without the prior knowledge of the Honduran Government leaders, pose an additional threat to Panama. Those 3,000 soldiers can be deployed rapidly from Honduras to Panama. Proof of that intention was the announcement that "those troops will remain 10 more days in that Central American country."

Of course, President Azcona, with his characteristic submission and without the slightest shame, as an absolute negation of human dignity, justified the invasion of his country and supported the mission of those Yankee troops to "safeguard peace in the region."

The embolic mind of the plastic cowboy is confused with the maze of lies fed by his political-military advisers, and he dumbly said that he "cannot understand how Noriega can resist so much."

It will never dawn on him that it is not Noriega, but the inhuman aggression against our country that has united this people, whose nationalistic will can never be defeated. The plastic cowboy does not know of the long and courageous history of the nationalist struggle of the Panamanian people. He never heard of Leon A. Soto, Justo Arosemena, Mateo Iturralde, Ascanio Arosemena, or Amelia Denis de Icaza.

Now he has accidentally learned the names of other Panamanians who barefacedly beg him to invade the country and destroy the national fatherland with blood and fire. Then with the shamelessness that characterizes him, he persists in his criminal aggression against Panama, its government, and its people.

Colombian Guerrillas Express Solidarity

PA251650 Panama City CRITICA in Spanish 22 Mar 88 p 4

[From "Political Coliseum" column by Baltazar Renan Aizpurua]

[Text] Friendly and fraternal hands of the brother Colombian people have supplied me with the communique we are publishing today, which responds to the call for continental struggle we issued from this column.

The statement of the Colombian armed revolutionary organizations leaves no doubt about the path to be taken if there is a U.S. military intervention in our country. It is known that they want to justify this intervention by using the statements of deserters such as Major Augusto Villalaz, who told the Washington press he had transported several tons of weapons from Havana and that they have been distributed throughout the national territory.

The plan behind these statements is to create an anticommunist hysteria among the U.S. public and to argue that U.S. intervention is justified because U.S. national security is threatened. Internationally, they will say they have been forced to intervene to guarantee that the canal will remain safe and open to the transit of ships from all nations.

In the face of the imminent Yankee intervention, the communique of the Colombian guerrilla organizations calls for belligerent solidarity and states that they will remain alert and vigilant to support us with their political-military actions. We interpret this as the just decision to implacably hit the Yankee interests wherever they may be.

Here is the document: Communique of the Colombian Simon Bolivar National Guerrilla Coordinating Board

The Simon Bolivar National Guerrilla Coordinating Board—which comprises the guerrilla organizations M-19; Popular Liberation Army, EPL; Revolutionary Workers Party, PRT; Quintin Lame Movement; FARC; and Camilista Union-Army of National Liberation—in the face of the situation being experienced by the Panamanian people, victims of the political, economic, and military aggression of the U.S. Government, which wants to ignore the Torrijos-Carter Treaties to maintain the Southern Command as a strategic force to control the Latin American people; declares to the democratic peoples, governments, organizations, and personalities of the world:

1. We repudiate the aggressive and arrogant policy of the U.S. Government, which does not recognize the dignity, sovereignty, and free self-determination of peoples, a policy that is made evident in the current Panamanian crisis.

2. We limitlessly support the anti-imperialist, patriotic, and honorable position assumed by the people, government, and Defense Forces of Panama.

3. We respect the decisions that our Panamanian brothers, as autonomous people, make to resolve their crisis.

4. We urge the democratic peoples, governments, organizations, and personalities of the world to form an anti-imperialist front that will put a stop to the U.S. Government's policy of aggression, and we call on them to express their belligerent solidarity with the Panamanian people to end the economic and political intervention and to prevent the Yankee military aggression.

5. Inspired by a deep anti-imperialist and democratic spirit, the Simon Bolivar National Guerrilla Coordinating Board is alert and watchful of the events so as to support the Panamanian people's struggle with our political-military actions. This is the moment to make a reality of our brotherhood as heirs of the ideals of Bolivar and the honorable and courageous example of General Omar Torrijos in his anti-imperialist struggle when he described himself as a "soldier of America." With unity for the life of Colombia and its people.

Simon Bolivar National Guerrilla Coordinating Board

Carlos Pizarro Leon Gomez, M-19 commander general

Diego Ruiz, EPL

Argentina

Government, Army Say Situation Normal

PY251744 Buenos Aires Domestic Service in Spanish 1600 GMT 25 Mar 88

[Text] A high-ranking government source has reported that the government is expecting intense psychological action by the supporters of former Lieutenant Colonel Aldo Rico in the face of the graffiti campaign warning of alleged military uprising during the upcoming Holy Week. The government nonetheless described the military situation as totally normal.

The source also denied that the military budget would be cut as a result of the public expenses reduction plan. The defense budget is relative to the needs in this field and the national situation.

Regarding the Armed Forces' salaries, the government source pointed out that a salary adjustment plan is being applied over a 36-month period to bring them into line with the Judicial Branch.

The source revealed that a 9 to 12 percent wage hike for this month is being considered for the Armed Forces, however, this increase is based on a 12-percent inflation rate for March. Statistics point out that inflation will reach 14 percent this month.

Meanwhile an Army source reported today at noon that the usual Holy Week leave will be granted after verifying absolute calm within the force.

The Army source said that the force has already taken into consideration the possibility that a psychological pressure campaign may be carried out by the Aldo Rico support group in the next few days.

Military Concerned About Court Delays

PY251829 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1521 GMT 25 Mar 88

[Text] Buenos Aires, 25 Mar (NA)—The budget, the legal proceeding involving the Malvinas situation, the salary adjustment plan, and the pending trials linked with the antisubversive struggle are some of the agenda items discussed at a meeting that Defense Minister Horacio Jaunarena and top Army commanders held at noon today.

At noon today, the minister had lunch with the members of the Army's Superior Performance Evaluation Board. The Board might decide on some situations in connection with the Monte Caseros events. It has been taken for granted, though, that no one will be dismissed.

Yesterday, top Army commanders began 2 days of meetings to consider the situation of the officers standing trial because of the antisubversive war, the budget, the Malvinas war cases being heard by the civil courts, and the consequences of the Monte Caseros uprising.

The minister, who joined the Army officers at noon, was accompanied by Secretaries Jose Maria Llados, Adalberto Rodriguez Giavarini, and Raul Alconada Sempe. The basic issues that the minister wants to discuss with the military commanders are the budget allocation for 1988 and a possible solution to the 80 cases involving military officers. No decision has yet been made as to whether they will be under the due obedience law.

A military source has said that there is "concern" because several of those officers are free while others are still in custody. "Those who are in custody are obviously constantly asking for a court decision."

The military concern about the trials linked with the antisubversive struggle is also linked with the Malvinas cause of action [causa] which for 26 months has been awaiting consideration by federal chamber.

"The officers have mentioned this example to complain about the delays in the courts," a military source said, recalling that the case was filed on 26 May 1986 and that a 2-month postponement is currently in force.

The sources, however, remarked that the 80 cases connected with the antisubversive war are "the major source of concern" [words indistinct] that the cases that have been delayed are those of Bahia Blanca and another case that was filed in Cordoba.

Concerning the performance evaluation reports analyzed by the Superior Performance Evaluation Board, the sources said that the board considered "a dozen cases" among which "very few" are connected with the Monte Caseros incidents, because the rest of the cases involve complaints from officers who were not promoted last year.

During special sessions, the board considered some 56 cases; some 19 evaluation reports were not discussed.

Banks, IMF Disburse $1.092-Billion Credit

PY261500 Madrid EFE in Spanish 0411 GMT 26 Mar 88

[Excerpt] Buenos Aires, 25 Mar (EFE)—Argentina today received $1.092 billion as part of the credits granted by the creditor banks and the IMF. Of this amount, $550 million is the third installment of a $1.95-billion credit granted by the creditor banks in August 1987.

The remaining $542 million was supplied by the IMF and will be used for meeting the foreign debt obligations that became due in the past few months and for increasing the level of reserves.

This loan will also be used for repaying a $225-million bridge loan that the U.S. Treasury Department granted to Argentina at the end of February 1988.

According to the negotiations held by Argentine Economy Minister Juan Sourrouille with the IMF and with the private creditors, the aforementioned disbursements were to have been made at the end of 1987. However, the disbursements were delayed due to the fact that many of the measures that the Alfonsin administration announced on 14 October 1987 were postponed and that, consequently, the targets agreed upon with the IMF were not complied with. [passage omitted]

Communists Reestablish Relations With PRC
PY281159 Madrid EFE in Spanish 0718 GMT 28 Mar 88

[Text] Beijing, 28 Mar (EFE)—The Communist Parties of the PRC and Argentina have once again established relations after a 28-year hiatus, according to the XINHUA press agency.

Hu Qili, a member of the Standing Committee of the Central Committee of the Chinese Communist Party, stated today in Beijing to a delegation of the Argentine Communist Party that "the past is over and gone," and he celebrated the occasion.

Hu Qili told Athos Fava, the secretary general of the Argentine Communist Party, who is heading the delegation, that the two parties must develop their relations on the basis of independence, mutual respect, and on noninterference in the internal affairs of each party.

Fava stated that the Argentine communists have waited for a long time to re-establish relations with the Chinese and at last it has been achieved.

Fava said that "we wish the Chinese people great success in their reforms and their policy of opening up the country."

The normalization of relations has been achieved just before Argentine President Raul Alfonsin's visit to China, which will take place in the second quarter of 1988.

Bombs Damage Homes of Local Deputy, Businessman
PY261433 Buenos Aires TELAM in Spanish 1308 GMT 26 Mar 88

[Text] San Miguel de Tucuman, 26 Mar (TELAM)—Two medium-sized bombs exploded early this morning in this city and damaged the residences of a provincial deputy and a local businessman, police have reported.

The first explosion took place at 0255 at the residence of Vicente Haro, located on 3083 Colombia Street, and damaged the front door and part of the home. No injuries were reported. Haro manages the General Belgrano Company and is an executive of the Bus Transport Association of Tucuman.

Shortly after the first blast, another bomb exploded, at 0300, in front of the residence of provinical Deputy Hugo Teseira, White Flag Provincial Defense Party, on 1487 Santa Fe Street. The explosion caused some material damage.

No further details have been reported regarding these two cases.

Bolivia

COB Demands Immediate Release of Labor Leaders
PY251411 La Paz La Red Panamericana in Spanish 1130 GMT 25 Mar 88

[Text] The COB has approved a resolution demanding the immediate release of the oil workers leaders, all of whom have been under arrest for 15 days on orders from the Interior Ministry. The arrested leaders are (Oscar Mileta), (David Hunter), and (Jorge Wilde).

The COB resolution warns that the international campaign of condemnation of such actions will continue, and that the ILO, the United Nations Human Rights Commission, and other international human rights organizations will be asked to immediately adopt a position on the issue.

The COB resolution condemned the government policy, which disregards the Bolivian people's right to employment, because the government-sponsored massive dismissal plan, which affected the miners in the past, has now affected the oil sector and may be used against other labor sectors in the future.

Brazil

Demonstration Outside U.S. Consulate in Recife
PY251346 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 25 Mar 88

[Text] A demonstration staged in front of the U.S. Consulate in Recife to protest the presence of U.S. troops in the border area between Honduras and Nicaragua ended in confusion, with shots, beatings, and the imprisonment of four people.

The demonstration, which was organized by the Group of Solidarity with the Central American People, was repelled by the military police after a demonstrator had splashed red paint at the facade of the consulate.

'Satisfaction' Noted on Nicaraguan Cease-Fire

PY260151 Brasilia Domestic Service in Portuguese 2200 GMT 25 Mar 88

[Text] Itamaraty today released an official note in which the Brazilian Government expresses satisfaction with the cease-fire agreement between the Nicaraguan Government and the contras, rebels fighting the Sandinist regime.

The note says that the agreement opens the way for national reconciliation in Nicaragua. It expresses the hope that the agreement will create the appropriate conditions for the peace and tranquillity Nicaraguans so deeply want.

The communique stresses that the agreement strengthens the Brazilian Government's conviction that solutions to the Central American conflict must be achieved through negotiation and understanding.

Communications Minister Denies Coup Rumors

PY260233 Brasilia Domestic Service in Portuguese 2200 GMT 25 Mar 88

[Text] Communications Minister Antonio Carlos Magalhaes denied all rumors that the Armed Forces had been prepared to stage a coup if the Constituent Assembly did not approve the presidential system of government and a 5-year term for the future presidents.

Minister Magalhaes said the rumor published by some newspapers about the military men is false and an offense to the Brazilian Armed Forces. He added that if the military men ever took part in any movement, it was at the request of the people in order to preserve order.

Minister Magalhaes said one of the groups in the Constituent Assembly must stop denigrating the Armed Forces. In his opinion, the military institutions have done a great deal for the country.

Antonio Carlos Magalhaes also said the military ministers did not exert any pressure over the Constituent Asembly:

[Begin Magalhaes recording] This sounds like the lamentations of those who were defeated. There has been no pressure whatsoever. A margin of 132 votes has never occurred in Congress [words indistinct]. No one said that. You are the only ones to say so. I believe you are also regretting this defeat. [end recording]

Energy Minister To Give Resignation to Sarney

PY260026 Rio de Janeiro Rede Globo Television in Portuguese 2255 GMT 25 Mar 88

[Text] Energy Minister Areliano Chaves today announced that he will tender his resignation to President Sarney. Chaves reasserted that he is not running for the Presidency by stating:

[Begin recording] [Chaves] I believe that President Sarney's term will last 5 years and I will tell this to Constituent Assembly members. Therefore, there is no reason to discriminate against President Sarney. This means there is no need to discuss any candidacies for the time being.

[Unidentified reporter] Do you believe the cabinet members should offer to resign to pave the way for a cabinet shuffle?

[Chaves] No, I believe it is up to each minister to decide, but I will give my resignation to the president. This is something each minister must decide. [end recording]

Sarney To Consolidate Congress Support Bloc

PY251300 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 25 Mar 88

[Excerpts] In today's "Chatting by the Radio" program, President Jose Sarney addressed the Brazilian people on the 22 March session of the Constituent Assembly which defined the national government system and term in office for the future presidents of the Republic.

According to President Sarney, he had repeatedly defended the presidential government system and the 5-year term in office for the president. However, he said that its approval does not mean a personal triumph, but rather a triumph for the whole country. [recorded passage omitted]

The president also said he intends to consolidate a majority bloc in Congress to support the conclusion of this political process. He believes that the decision made by the Constituent Assembly on 22 March establishes favorable conditions to adopt measures for economic recovery.

First Auction for Conversion of Debt Scheduled

PY261511 Brasilia Domestic Service in Portuguese 2200 GMT 25 Mar 88

[Excerpts] This week the Central Bank registered $600 million in requests for the conversion of titles of the foreign debt in a direct way, without including them in auctions.

This money will be converted on the basis of the average discounts established in the first conversion auction to be held on 29 March at the Rio de Janeiro stockmarket.

(Armin Lorry), director of the Central Bank foreign department, said some of the current rules for the conversion of the debt may be modified in the future. [passage omitted]

(Armin Lorry) said the government is not concerned that, as a result of the conversion process, foreign investors may control the Brazilian economy. According to him, it has been decided that the Brazilian companies will retain control of more than 50 percent of the shares.

Planning Minister on Public Workers' Wages

PY251141 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 25 Mar 88

[Text] Planning Minister Joao Batista de Abreu has said the government plans to establish a temporary freeze on the salary adjustments based on URP [Price Reference Unit], with a subsequent adjustment, [as heard] as one of the measures to control the public deficit.

Besides reducing expenditures on personnel, the government will adopt other measures to reduce the public deficit to 4.5 percent of the gross domestic product.

Chile

Organization Head Warns on U.S. 'Intervention'

PY261609 Santiago Domestic Service in Spanish 1030 GMT 26 Mar 88

[Text] Aquiles Petit, president of the National Civic Organization, has called upon the people to strengthen their spirit of independence against intervention by the United States and other countries in Chilean domestic affairs.

Petit made this statement after a meeting with Labor Minister Alfonso Marques de la Plata. When questioned about the $600,000 sent by the United States to support opposition organizations, Petit said the opposition's sole objective is to divide the country. He said this objective should be added to the smear campaign against the country to nullify the plebiscite.

[Begin Petit recording] I want to call on all people, especially Chilean women, to strengthen their spirit of independence against this intervention being imposed not only by the United States, but by some dissident European governments as well.

This intervention once again confirms the influence of Soviet Marxism in democratic Western countries which are being used to overthrow the government of His Excellency, President Augusto Pinochet. [end recording]

Petit said this problem is very serious, because the fact money was sent to the opposition shows there is interest in dividing Chileans.

Petit has informed the interior minister about the plan of action to be implemented to explain constitutional norms to workers regarding the plebiscite and the future congress. He added that the interior minister has congratulated them for their initiative which fills an information gap among independent labor leaders.

Opposition 'Disappointed' on Aid

PY261457 Santiago Domestic Service in Spanish 1030 GMT 26 Mar 88

[Excerpt] According to observers, top opposition leaders have been disappointed, discouraged, and even disturbed by the distribution of dollars earmarked by the U.S. Congress for the campaign against the plebiscite.

According to a law approved by the U.S. Congress, and confirmed by the State Department, the grant is worth $1 million. However, the money distributed among opposition parties amounts to only some $600,00. There is no report on what had happened to the remaining $400,000, that is, whether it was used to pay commissions or rerouted to other channels.

According to observers, one of the most affected parties is the Movement for Free Elections, headed by Sergio Molinas, Christian Democratic leader and former finance minister during the Frei administration.

This opposition party, which was practically dissolved because of the plebiscite, will receive only $110,172. It expected to receive more than $300,000. The other affected organization is the Democratic Central Organization of Workers, which is headed by Christian Democratic leader Eduardo Rios. This organization will receive only $80,000; it was expecting much more. These groups are asking themselves where the rest of the money is. [passage omitted]

Minister Says No-Vote Could Lead to Hunger

PY260126 Santiago Radio Chilena Network in Spanish 2300 GMT 25 Mar 88

[From Radio El Sembrador of Chillan]

[Text] Agriculture Minister Jorge Prado Aranguiz today said that if the no-vote wins in the next plebiscite Chile will starve to death, as it did in 1973. The minister made this comment after chairing the inaugural ceremony of the 11th San Carlos Agro-Export Exhibition in San Carlos, Maule Province, a cattle and agriculture fair where most of the important cattle farmers of the zone are represented.

Minister Prado read a 17-page speech in which he stressed the government's achievements in the agricultural field, saying that the sector is today prosperous, productive, and efficient. It is no longer backward, and it has become an example of development capable of satisfying the most demanding consumers in the world.

Jorge Prado sharply denied there is a shortage of wheat, flour, or bread. He said that Chile this year will produce enough to supply 80 percent of the population's needs. The rest will be provided by the stock currently in the hands of COCHISA [expansion unknown].

The minister also announced that wheat prices will vary from $180 to $260 a ton during the coming season. Asked about the effects on agriculture and the nation of a victory of the no-vote in the next plebiscite, Minister Prado said the consequences would be the same as in 1973. At that time Chile was starving to death.

Communists on Program for United Left, No-Vote
PY260204 Santiago Radio Chilena Network in Spanish 1700 GMT 25 Mar 88

[Text] Communist Party leaders Carlos Toro, Julieta Campusano, and Mireya Baltra have denied that their party is stalling for time to call on the people to vote no in the upcoming plebiscite.

Mireya Baltra commented on registration by Communist Party members at the voter registration offices and their position on the no-vote:

[Begin Baltra recording] Our decision to register for the plebiscite does not mean that we will vote. We are simply exercising our citizens' rights. We may or may not vote. This will depend on the specific situation we encounter at the time. We are not discussing while we wait for the no-vote. The journalists believe that we are taking our time to reach a decision about the no-vote. This has to be made clear. We are dedicating our time to creating a united struggle among the grass roots, through political talks. We are drafting a program for the United Left, although we realize that several difficulties will have to be faced. [end recording]

Asked when they will decide whether they will call on the people to support the no-vote in the plebiscite, she said revolutionaries never set a date for anything.

Mireya Baltra and her comrades described the decision by 14 parties to support the no-vote as a continuing negative position [un no continuista].

If the no-vote win the plebiscite, they said, it will mean that the fraud was defeated. The no-vote, however, will not change anything, Baltra said. She added that they support the idea of defending the fraud before the plebiscite is held. They will do this through public charges and social mobilization.

The Communist Party members concluded by saying that hundreds of Communist Party members have already registered at voter registration offices, but this does not mean they will vote in the plebiscite. This will be decided at the proper time.

Press Group Head Wants Restrictions Lifted
PY251357 Madrid EFE in Spanish 0443 GMT 25 Mar 88

[Text] Santiago, 24 Mar (EFE)—Carlos Paul, the president of the National Press Association, an organization formed by the owners of Chilean newspapers and magazines, today asked that the restrictive measures against the press be lifted so it can fulfill its mission of informing public opinion.

This was reported by Paul today after meeting with Orlando Poblete, the minister secretary of government, at Government Palace. Paul also raised other points that cause concern among the Chilean press.

Paul said that he drew the minister's attention to "the advisability of allowing the Chilean press to operate under conditions of maximum liberty and plurality in this electoral process" (the presidential plebiscite scheduled for a date after September 1988).

Carlos Paul highlighted the indictment of Francisco Herreros, the director of the magazine CAUCE, who was detained 2 days ago, and that of Monica Gonzalez, a journalist for the weekly ANALISIS, and Jorge Donoso, a former director of the newspaper FORTIN MAPOCHO.

In addition, the regime of General Augusto Pinochet has filed another 17 lawsuits against independent journalists, including the night sentences [reclusion nocturna] being served by Juan Pablo Cardenas, the director of the magazine ANALISIS.

Bank of Boston Office in Santiago Bombed
PY251323 Santiago Domestic Service in Spanish 1030 GMT 25 Mar 88

[Text] Two taxi drivers miraculously escaped unhurt after a bomb went off in downtown Santiago.

Unidentified individuals detonated the bomb at an entrance of the Bank of Boston's main office at the interesection of San Antonio and Moneda Streets.

At the time of the explosion, Benito Cuevas Castaneda, 42, and Alex Ibanez Gonzalez, 27, were in their taxis.

Gonzalez said that his vehicle, license No FS-7828, was hit by some shrapnel and the doors on the left side were blown open.

The two taxis were parked less than 3 meters from where the bomb went off.

Police experts inspected the area in order to conduct the appropriate investigation.

Bomb Attack Damages Stores; 3 Injured
PY281319 Santiago Domestic Service in Spanish 1030 GMT 28 Mar 88

[Excerpts] Five stores sustained substantial damage and three people were injured by a bomb blast at Tajamar tower bloc B in Santiago last night. At 2100 last night, a young man was seen setting fire to the contents of a can before running to Providencia Street. The bomb, containing approximately 300 grams of ammonium gelignite, exploded, and knocked down janitor Guillermo Baez Jaramillo, who was in the area. A married couple who were nearby were injured by flying glass. The

couple, identified as Alfonso Meza Cardenas and Mary Serey Bustamante, were taken to the El Salvador Hospital, while Baez Jaramillo was taken to the workers' hospital. [passage omitted]

Another terrorist attack was staged at the EL MERCURIO newspaper building in Valparaiso last night. A wall and the roof were damaged, but no one was injured. The incidents occurred when two bombs went off on the building's roof at 2255. The bombs were apparently thrown by unidentified persons from the Concepcion hill. An investigation by Carabineros revealed that one of the bombs contained 400 grams of ammonium gelignite and Anfo [low cost explosive made of ammonium nitrate and fuel oil blasting agents], and the other bomb, which went off simultaneously, contained 500 grams of the same material. The police have begun an investigation into the attack.

FPMR Arms Cache Discovered in Concepcion

PY260226 Santiago Television Nacional de Chile in Spanish 0030 GMT 26 Mar 88

[Text] Carabineros and investigative police personnel this morning discovered in Concepcion a large arms cache comprised of many explosives. The cache was hidden in a section of Caracol Hill.

According to information supplied by Deputy Police Chief Rene Navarro, the public relations chief of the fifth investigative police district, the cache was discovered at 0500 today. He added that police found it after they received several reports indicating the cache belonged to the Manuel Rodriguez Patriotic Front [FPMR].

Navarro asserted that unlike in other caches, where the explosives were home-made, the explosives in this cache are manufactured and packed in plastic containers. He added that police found cones, bombs [rompedores], and grenades.

At the site, just south of a traditional promenade in Concepcion, the police found Vietnamese bombs, chemicals, and detonators. They also reported that so far no one has been arrested, but investigations continue.

All the material has been placed at the disposal of the Concepcion military prosecutor's office.

Colombia

Bomb Explosion in Bogota Bank Injures Four

PA261329 Paris AFP in Spanish 0507 GMT 26 Mar 88

[Text] Bogota, 25 Mar (AFP)—A bomb exploded tonight in the International Bank of Colombia, located in one of Bogota's most exclusive sectors, slightly injuring four, the police have reported.

The bomb apparently had been left inside the bank a few hours earlier. The blast caused serious damage to the installation.

According to preliminary investigations by police, who cordoned off the area, the bomb was apparently set off by a timer.

No organization has claimed credit for the attack so far.

A rocket was fired on the U.S. Embassy in Bogota last Wednesday. The Colombian M-19 guerrilla movement claimed credit for the attack, which it said was to protest the attitude of the U.S. Government against Panama.

ELN Takes Credit

PA261937 Bogota Inravision Television Cadena 1 in Spanish 1853 GMT 26 Mar 88

[Text] Another terrorist attack took place here in the International Bank of Colombia in Bogota last night, leaving four people injured.

The Army of National Liberation [ELN] has claimed responsibility for this attack, which they carried out because they reject U.S. intervention in Panamanian and Honduran internal conflicts.

Unidentified individuals had earlier left a box containing 5 kg of dynamite, which went off at around midnight. The bank's installations were completely destroyed.

This is the fourth terrorist attack against U.S. property in the country so far this year.

Several people who were arrested minutes after the attack are currently being questioned by the authorities to identify the perpetrators and the motives of the crime.

Ecuador

Finance Minister Says Debt Payment Suspended

PA261552 Quito Voz de los Andes in Spanish 1240 GMT 26 Mar 88

[Text] Yesterday Finance Minister Eduardo Cabezas said that payments on the Ecuadoran foreign debt were definitely suspended. Upon being approached during an Ecuadoran Air Force promotion ceremony, Cabezas added that the government has explained to the banks that the country's real situation prevents it from paying its debts.

Cabezas said: We told them that we must now first try to readjust our economy. We do not want to sacrifice a majority of Ecuadoreans; we cannot continue to pay our debts.

The minister added that the banks believe the renegotiation carried out last year is very satisfactory. However, they are analyzing new government proposals.

Paraguay

'Joint Formula' Sought for Ortigoza, Saguier

PY260015 Madrid EFE in Spanish 1626 GMT 25 Mar 88

[Text] Asuncion, 25 Mar (EFE)—Diplomatic and other sources involved in former Captain Napoleon Ortigoza's case have told EFE that Colombia is seeking a joint formula to resolve the conflict created by Ortigoza and lawyer and opposition politician Hermes Rafael Saguier, who have sought refuge at the Colombian Embassy in Asuncion.

Ortigoza, 56, who is regarded as the political prisoner who has served the longest sentence in Latin America, managed to escape from virtual house arrest last Wednesday and, with the help of Saguier, sought refuge at the Colombian Embassy in Asuncion, where he requested asylum.

Diplomatic sources have reported that although Saguier has not requested asylum in Colombia, the Colombian Foreign Ministry said that the same treatment will be given to both Ortigoza and Saguier, who is one of the most persecuted opposition politicians under Gen Alfredo Stroessner's regime, which has ruled the country since 1954.

The Paraguayan Government has already made it clear that there are no charges against Ortigoza, and, according to the Interior Ministry, the Paraguayan Supreme Court ordered his release on 10 February, although the two policemen guarding Ortigoza's house did not allow him to leave.

The opposition, however, believes the Paraguayan Government will take harsh measures against Saguier because he helped Ortigoza evade police surveillance.

A lawyer and a leader of the Authentic Radical Liberal Party faction, Saguier was under arrest for almost 4 months, from 29 August to 23 December 1987, for criticizing generals of the Paraguayan Army.

Today sources close to Saguier confirmed to EFE that the Colombian officials yesterday "suggested a joint formula" to protect both, Saguier and Ortigoza.

The sources added that the opposition leader has stated that he would go to Bogota "with much pleasure," but that he "will return" to Paraguay, even if Stroessner's regime does not allow him to do so.

Ortigoza sought asylum at the Colombian Embassy because it is close to his house, but, apparently, he wants to live somewhere in Europe.

Sources close to Saguier have reported that Ortigoza wants to go to Bogota "if only for a short time," to "thank the Colombian people" for the support that the Colombian Embassy in Asuncion has given him.

The sources, however, stated that Ortigoza would probably accept one of the offers of asylum from the government of Spain, Norway, or Sweden, although he has not made up his mind where he wants to go yet. A few days ago he said that he wanted to go to Madrid.

Ortigoza finished serving 25 years of imprisonment on 17 December 1987. In 1962 he was accused of having murdered a cadet, who allegedly reported Ortigoza's alleged participation in a plot against Stroessner.

However, upon his release, Ortigoza was banished to San Estanislao, 332 km from Asuncion for 49 days and then taken to his house in Asuncion, where two policemen kept his house under guard and prevented him from leaving.

Ortigoza Granted Asylum

PY261452 Asuncion Radio Caritas in Spanish 1420 GMT 26 Mar 88

[Text] Two minutes ago we talked to Colombian Ambassador to Paraguay Dr Vicente Martinez Emiliani. The ambassador told us that so far there is no change in the Ortigoza situation, although last night he met with Paraguayan Foreign Minister Carlos Augusto Saldivar to request safe conduct for Ortigoza and to officially inform him that the Colombian Government has granted political asylum to Captain Modesto Napoleon Ortigoza.

Asked about Minister Saldivar's reply, Ambassador Martinez Emiliani said that he officially received the information. The ambassador is now waiting for a decision by the Paraguayan Government to allow Capt Ortigoza to travel to Colombia as a political exile.

Saguier Requests Asylum

PY281324 Asuncion EL DIARIO in Spanish 28 Mar 88 p 8

[Excerpt] Yesterday Colombian Ambassador Vicente Martinez Emiliani told EL DIARIO that Hermes Rafael Saguier has also requested political asylum in Colombia. The ambassador said that after receiving Hermes Saguier's request, which was submitted in writing, he immediately reported this to Paraguayan Foreign Minister Carlos A. Saldivar and to the Colombian Foreign Ministry.

Martinez Emiliani said: "I wish to confirm that Saguier has submitted a note requesting the Colombian Government to grant him asylum." Ambassador Martinez added that for the time being there has been no answer to this request but that the Colombian Foreign Ministry is studying Saguier's situation. [passage omitted]

Appeals Court Orders Zimmerliz Release

PY252055 Asuncion ULTIMA HORA in Spanish 25 Mar 88 p 47

[Excerpt] The Court of Appeals of the criminal jurisdiction has acquitted Alfredo Zimmerliz. Zimmerliz was being tried for violation of Law 294 (Defense of Democracy). The Court of Appeals thus overturned Judge Tito Estevino Medina's order of arrest against Zimmerliz on grounds that the prosecution did not meet the requirements of Article 337 of the Criminal Proceedings Code.

Zimmerliz was accused by the police of subversive activities and of maintaining contact with "well-known communists." The appellate court decided that the charges were not supported by enough evidence and ordered Zimmerliz's release. [passage omitted]

Peru

Presidential Spokesman Denies Coup Rumors

PY272309 Buenos Aires TELAM in Spanish 2300 GMT 27 Mar 88

[Text] Lima, 27 Mar (TELAM-ANSA)—Today a presidential spokesman said that the coup rumors are completely unfounded and that relations between the Armed Forces and the government are excellent.

The spokesman said the rumors, which were disseminated yesterday in diplomatic and press circles, were started by oligarchic power groups.

The report indicated that there is growing uneasiness in the Armed Forces.

Today EXPRESO, an opposition daily, published in its political section an article on the military pressure on Defense Minister General Enrique Lopez Albujar to resign.

That daily said that this situation by itself implies a crisis. However, the presidential spokesman reiterated that relations between the Armed Forces and the government of President Alan Garcia are excellent and that the rumors are unfounded.

Garcia Comments on Expropriation Decree

PA272250 Lima Television Peruana in Spanish 1800 GMT 25 Mar 88

[Speech by President Alan Garcia from the Government Palace in Lima—live; broadcast in progress]

[Text] ...1. Let the transfer of Credit Bank of Peru shares by means of which bank employees now have an absolute majority in the social capital of that institution be officially registered based on Articles 56 and 116 of the Constitution and on Articles 12 and 14 of Law 24-7-23. [applause]

2. Let the Credit Bank of Peru be listed as an independent [autogestionario] bank in the framework of Article 12 of Law 24-7-23 and of Legislative Decree No 467. The bank will now have the following characteristics:

A. More than 50 percent of the bank's shares must belong to its permanent manual and office workers. [applause]

B. No employee is to own an amount of shares worth more than the nominal value of 40 tax units [unidades impositivas tributarias].

C. More than 50 percent of the bank directorate members must be bank shareholding workers. The directorate's chairman must be a bank employee. [applause]

D. Decisions at shareholders meetings must be adopted with primary concern of the work status of each shareholder and the number of shares they own.

E. In no case can the number of shares owned by the workers be less than 50 percent of the shares plus 1 share. If there is the possibility this proportion could be reduced because of a particular circumstance, the shareholders will hold a meeting to agree on a capital increase to maintain the shareholding proportion established in letter A of this article. [applause]

3. Based on Articles 1, 2, and 3 of Law 24-7-23, the state will continue expropriating shares involving more than 40 tax units. The role of the state as a shareholder will be to promote decentralization and a democratic granting of credits.

4. Former shareholders who sold their shares to workers prior to the expropriation resolution will participate in the financing of either all or part of the sale price of those shares. If part of the financing was made with funds of the same entity or branch of that entity, the product of the sale must be deposited as a guarantee in that entity. This fund will serve as a guarantee. Withdrawals on those deposits can be made in the same proportion that the workers pay the principle of the loan taken to acquire the shares. [applause]

5. Workers not listed as shareholders on the date of the issuance of the expropriation resolution will have the right to acquire the average amount of shares purchased by the other workers. To do this, capital will be increased. A financing fund will be created with a 10-percent charge on annual revenues before taxes for the purpose of giving nonshareholders financial support at special interest rates and conditions.

6. Nonshareholder employees will have preference in the purchase of shares as a result of transfers among living people or as a result of an increase in capital. If employees do not exercise this right, shareholding employees have second preference. The state, as a shareholder, has third preference.

Social statutes will establish procedures, deadlines, and conditions for exercising the preference right. The transfer of shares carried out in violation of what is established in this article is null.

7. The rights and obligations of the shareholders who are not workers of the bank will be regulated by the rules of the General Associations Law.

8. The functioning of the Credit Bank will take place based on this legislative decree and on the Banks Law, the General Associations Law, Legislative Decree No 467, and the applicable portion of Law 24-7-23.

9. Until the expropriation process is concluded, a board of directors elected by shareholding workers and shareholders of less than 40 tax units will assume the functions of the directorate. This board will consist of 12 members, the majority of whom will be shareholding workers.

The board of directors will convoke a general meeting of shareholders to bring the Credit Bank's social statutes in line with the rules of Legislative Decree No 467 and of this decree.

10. Once the board of directors is established, the administrative committee appointed by the government will cease functioning. [applause]

The emergency situation mentioned in Article 7 of Law 24-7-23 is hereby declared concluded. [applause]

Once the expropriation process concludes, within 30 days the board of directors will convoke a general meeting of shareholders to elect the directorate.

11. The shares of financial institutions directly or indirectly owned by the Credit Bank of Peru will not be expropriated. [applause]

Complementary dispositions:

State attorneys are authorized to abandon legal actions aimed at nullifying share transfers. [applause]

Companero workers, when the law is drafted by the people and for the people, justice is born. I trust in your work capabilities, in the people's ability to be managers, in the ability of the middle class, of all Peruvians.

In all Peruvians I see and acknowledge the truth and the capability to historically contribute to the country's future. This here is evidence of our trust in the people of Peru. This here is evidence that justice means sharing property and decisions with the broad majorities.

The Credit Bank now belongs to its workers. [applause] Put it to work for the people. Put it to work for the majority—the poor. Put it to work for national development and the objectives that will consolidate justice, well-being, and the grand future our people demand. [ovation]

Shining Path Blast Blacks Out Ayacucho

PA280112 Paris AFP in Spanish 0236 GMT 27 Mar 88

[Text] Ayacucho, Peru, 26 Mar (AFP)—Maoist Shining Path guerrillas dynamited electricity towers, leaving Ayachucho Department in the dark as the people were beginning to celebrate Holy Week activities, the police have reported.

Presumed Shining Path commands used dynamite to blow up the high-tension towers at 1925 (2425 GMT), the same source added.

Religious activities in the principal cities of Ayacucho were not suspended, and police reported that the people are still calm and that there have been no reports of any other attack.

In Huamanga, the capital of Ayacucho, the Holy Week religious festivities attended by believers from all the peasant communities of the central Andean region of the country were one of the principal tourist attractions in Peru until the Shining Path emerged in 1980.

There had not been a power outage in Ayacucho since 31 December, when the Shining Path guerrillas blasted several high-tension towers, causing a power outage that lasted 24 days because spare parts were not available.

Uruguay

Sanguinetti Returns From USSR, Europe

PY251827 Madrid EFE in Spanish 1421 GMT 25 Mar 88

[Text] Montevideo, 25 Mar (EFE)—Today Uruguayan President Julio Maria Sanguinetti returned to the country after visiting the Soviet Union, Spain, Switzerland, and Belgium.

Sanguinetti was welcomed at Carrasco International Airport by acting President Enrique Tarigo and all the ministers.

Despite the heavy rains that have affected most of the country over the past few days, the Uruguayan airline Pluna plane landed 10 minutes ahead of schedule.

The ceremony marking the transfer of presidential powers back to Sanguinetti took place at the same airport.

The congressmen and political leaders of all parties who made up the presidential delegation have stated that the trip was "very positive."

Sanguinetti's visit to the Soviet Union was the first ever made by a Uruguayan president.

During a "work" stopover in Madrid, Sanguinetti was welcomed by King Juan Carlos I and met with Spanish President [title as received] Felipe Gonzalez.